

Part III - Administrative, Procedural, and Miscellaneous

Taxable fuel measurement

Notice 2000-33

Section 48.4081-8(a) of the Manufacturers and Retailers Excise Tax Regulations provides that volumes of taxable fuel may be measured on the basis of either actual volumetric gallons or gallons adjusted to 60 degrees Fahrenheit. Section 48.4081-8(a) also provides, however, that beginning July 1, 2000, for each period from July 1 through the following June 30, a person liable for tax on a removal may use only one of the two bases of measurement with respect to taxable fuel removed from any particular terminal, refinery, or blending facility. This rule also applies to taxable entries and sales.

The Internal Revenue Service and the Treasury Department have determined that many taxpayers will have to change their accounting systems to comply with the rule applicable beginning July 1, 2000, and will be unable to complete the necessary changes by that date. Accordingly, taxpayers will not be required to comply with the rule before July 1, 2001. In the meantime, a taxpayer may use either basis of measurement for each taxable removal, entry, or sale of taxable fuel.

The principal author of this notice is Frank Boland of the Office of Assistant Chief Counsel (Passthroughs and Special Industries). For further information regarding this notice, contact Mr. Boland at (202) 622-3130 (not a toll-free call).