

FUEL TAXES¹ ON CNG POWERED VEHICLES IN LOUISIANA

by

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When compressed natural gas (CNG) is used as a fuel for vehicles that operate on Louisiana highways it is subject to the fuel tax. The tax is paid annually based on mileage after the first year. A Special Fuels Decal is displayed on the vehicle as evidence that the fuel tax was paid. "Special fuels" means all combustible gases and liquids used in an internal combustion engine or motor for the generation of power for motor vehicles, except fuels subject to the gasoline tax.

The initial decal registration form, R-5390 (shown on page 2), is available on the Louisiana Department of Revenue's (LDR) website under Registration forms for Excise Tax. When the registration form and payment are received by LDR, the applicant is sent the decal to be displayed on the vehicle. Annual renewal notices are sent automatically and a new decal is sent to the vehicle owner when the renewal and applicable tax are received.

State agencies, and those of its political subdivisions, are not exempt from the fuel tax.

LDR collects the state excise taxes on fuel but the funds are dedicated and used by the Louisiana Department of Transportation and Development for specific purposes. The state fuel tax is twenty cents per gallon. Sixteen cents of that goes to the Transportation Trust Fund. Four cents goes to the Transportation Infrastructure Model of Economic Development. The Special Fuels Decal tax is allocated in the same manner as the state fuel tax.

The tax rate for CNG vehicles under 10,000 pounds:

- 1) Annual flat rate at 80 percent of \$150, or
- 2) Variable rate of 80 percent of current rate (\$0.20 per gallon) based on fuel efficiency of 12 miles per gallon, but not to exceed the annual flat rate.

Louisiana is a member of the International Fuel Tax Agreement (IFTA). The decal requirement does not apply to vehicles owned and operated by interstate users who participate in the IFTA.

The rate for school buses used to transport Louisiana students is one-half of the lesser of the regular flat rate, or one-half of the variable rate.

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Act 879 of the 1986 Regular Legislative Session changed the method of collecting the Special Fuels Tax on vehicles which are powered using liquefied petroleum gas, compressed natural gas, and/or liquefied natural gas.

Compressed natural gas (CNG), liquefied natural gas (LNG), and liquefied petroleum gas (LPG) are subject to Louisiana's fuel tax when used to power a motor vehicle licensed or required to be licensed for highway use. The payment of the fuel tax is evidenced by a special fuel decal. The owners or operators of these vehicles are required to register each vehicle with the Department of Revenue and obtain a special fuel decal to indicate the payment of applicable fuel tax. The decals are renewed each year the vehicle is in use and are due annually on July 31 for the immediate prior 12-month period ending June 30. Vehicles acquired, altered, or converted after July 1 must be registered and have been issued a decal.

R-5390 (1/11)

For office use only

Batch type = 783 or 4

 <p>LDR Contributing to a better quality of life</p>	SF-D New Annual Special Fuels Decal Users of Liquefied Petroleum Gas, Compressed Natural Gas, and/or Liquefied Natural Gas
	Special Programs Division Excise Taxes Section P.O. Box 201 Baton Rouge, LA 70821-0201 (225) 219-7656 • (225) 219-2114 (TDD)

Name		
Address		
City	State	ZIP

REGISTRATION INFORMATION:

LPG _____ CNG _____ LNG _____

Due July 31

Line 1.	Vehicle information:	
	A. Date purchased and/or converted	▶
	B. Make of vehicle	▶
	C. Vehicle model	▶
	D. Vehicle serial number	▶
	E. Vehicle year	▶
	F. Vehicle weight (in pounds)	▶
	G. License number	▶
	H. Number of axles	▶
	I. Check here if a school bus <input type="checkbox"/>	▶
Line 2.	Amount of tax (See instructions.)	▶
Line 3.	If your vehicle has a gross license tax classification of more than 10,000 pounds, complete the following:	
	Odometer reading on date purchased and/or converted	▶
Line 4	Penalty, if report is delinquent (5% for each 30 days or fraction thereof, not to exceed 25% of tax)	▶
Line 5.	Interest, if report is delinquent (See instructions.)	▶
Line 6.	Total due. Make check payable to: Louisiana Department of Revenue	▶

Under the penalties of perjury, I declare that I have examined this return, including all accompanying documents, and to the best of my knowledge and belief, is true, correct, and complete.

Date (dd/mm/yyyy)	Sign here X	Signature of preparer, if other than taxpayer	Telephone
Complete Only If Vehicle Sold			
Date sold (dd/mm/yyyy)	Name of purchaser	Address	



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Source: Louisiana Department of Revenue ([http://revenue.louisiana.gov/forms/taxforms/5390\(1_11\)F.pdf](http://revenue.louisiana.gov/forms/taxforms/5390(1_11)F.pdf))