



**Revenue Information Bulletin No. 13-004**  
**January 1, 2013**  
**Sales Tax**

**2013 Taxable Value for Refinery Gas**

Louisiana Revised Statutes 47:301(3)(f) and 47:301(13)(d) provide that the taxable value for refinery gas will be computed annually by multiplying 52 cents per thousand cubic feet by a fraction of which the numerator is the posted price for a barrel of West Texas Intermediate Crude Oil on December 1 of the preceding calendar year and the denominator is \$29. Since December 1, 2012 fell on a Saturday, the posted price used in the computation was the average of the posted prices for West Texas Intermediate Crude Oil as reported by the Wall Street Journal for November 30, 2012 and December 3, 2012. This average was \$89.00. The taxable value for refinery gas for 2013 was computed as follows:

$$\$0.52 \times \left( \frac{\$89.00}{\$29} \right) = \$1.596 \text{ per MCF}$$

Accordingly, the taxable value for refinery gas for sales and use tax purposes for calendar year 2013 has been set at \$1.596 per thousand cubic feet (MCF). This price is the maximum value that can be set for refinery gas by state and local authorities.

Refinery gas valuations for previous years are as follows:

2012.....	\$1.797
2011.....	\$1.556
2010.....	\$1.405
2009.....	\$0.884
2008.....	\$1.601
2007.....	\$1.137
2006.....	\$1.048
2005.....	\$0.837
2004.....	\$0.505

Prior to July 11, 2005, refinery gas that was sold, exchanged, or bartered, rather than used by the producer, was subject to sales tax at a different value. However, Act 458 of the 2005 Regular Session of the Louisiana Legislature amended La. R.S. 47:301(13)(d) to change the definition of “sales price” for refinery gas to be the same as the “cost price” for use tax purposes.

Questions concerning the cost price of refinery gas for state sales and use tax purposes should be directed by email to [sales.inquiries@la.gov](mailto:sales.inquiries@la.gov). Questions about the valuation adopted by local authorities should be directed to the appropriate local authority.

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