



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

AUGUST 10, 2015

Oil Spill Tax Expanded to Oil Transported by Rail

Beginning July 1, 2015, the oil spill tax imposed on crude oil or petroleum products at a marine terminal from a waterborne vessel or barge is extended to include these products received at a bulk oil terminal from a tank car (Engrossed Substitute House Bill 1449, Chapter 274, Laws of 2015, effective July 1, 2015).

The oil spill tax is levied upon the owner of the crude oil or petroleum products immediately after receipt of the same into the storage tanks of a bulk oil terminal from a tank car.

How to pay the tax

Bulk oil terminal operators must collect the tax from the owner of the crude oil or petroleum products and send it to the Department of Revenue with an [Oil Spill Tax Return](#).

The oil spill tax has two components:

- Oil Spill Administration Tax – four cents per barrel (currently in effect)
- Oil Spill Response Tax – one cent per barrel (currently suspended)

Definitions

“Crude oil” means naturally occurring hydrocarbons coming from the earth that are liquid at 25 degrees Celsius and one atmosphere of pressure including, but not limited to, crude oil, bitumen and diluted bitumen, synthetic crude oil, and natural gas well condensate.

“Bulk oil terminal” means a facility of any kind, other than a waterborne vessel, that is used for transferring crude oil or petroleum products from a tank car.

“Petroleum product” means any liquid hydrocarbons at atmospheric temperature and pressure that are the product of the fractionation, distillation, or other refining or processing of crude oil, and that are used as, useable as, or may be refined as fuel or fuel blendstock, including but not limited to, gasoline, diesel fuel, aviation fuel, bunker fuel, and fuels containing a blend of alcohol and petroleum.

“Tank car” means a rail car, the body of which consists of a tank for transporting liquids.