

**Michigan Transportation Fuel-tax Rates since 1925**

Expressed in dollars per gallon, except for Diesel-fuel Use Tax.

Effective Calendar Year	Gasoline	Diesel Motor Fuel	IFTA Diesel	Inter-state Diesel Use	Propane	Aviation	Natural Gas	Electricity
1925	0.02							
1927	0.03							
1931						0.03		
1947		0.05						
1951	0.045	0.06						Act 51 and Turnpike Act enacted.
1954					0.045			
1955	0.06				0.06			Response to need for Interstate match.
1968	0.07	0.07			0.07			
1972	0.09				0.09			
1979	0.11	0.09			0.11			CTF created, funded from STF share.
1980		.11-.06						Six-cent discount of Diesel tax at retail for interstate trucks.
1981								
1982	Indexed.							
1983	0.1261	.13 -.06			0.13			
1984	0.1455	.15 -.06			0.15			Gasoline indexing repealed.
1985								
1986								
1987								
1988								
1989								
1990								
1991								
1992								
1993								
1994								
1995								Michigan joins IFTA, 1996.
1996		Repeal decal fee.						Diesel tax increased April 1, 1997.
1997	0.18715	0.15	.21 -.06		0.19			Gasoline tax increased Aug. 1, 1997; 1.5% "cost of collection" allowance.
1998				(Price-based,				Propane tax increase goes uncollected.
1999				not per gallon)				MFT Act recodification; propane tax cut.
2000					0.15			
2001								
2002								
2003			0.15					Diesel tax rationalized April 1, 2003.
2004				6%				
2005								Streamlined Sales and Use Tax Agreement
2006								6% Diesel use tax credited to MTF.
2007								
2008								
2009								
2010								
2011								
2012								
2013								
2014								
2015								
2016	0.18715	0.15	0.15	6%	0.15	0.03	0.00	0.00
2017	0.259055	0.263	0.263	6%	0.263	0.03	0.263	0.00

Fuel-tax rates indexed to CPI beginning in 2022. Electric cars surtaxed.  
Compressed natural gas taxed at gasoline-gallon equivalent rate.  
Half of aviation fuel tax is refunded to air carriers.

Notes on effective gasoline rate:

Gasoline values before 1983 are not corrected by 3% allowance for evaporation and loss.  
Gasoline values after 1983 are net of 3% allowance for evaporation and loss.  
Gasoline values after 1997 are net of 1.5% "cost of collecting the tax."