



TaxNewsFlash

United States

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Notice 2017-59: Refund claim procedures, undyed diesel fuel removed from Milwaukee terminals

The IRS today released an advance version of Notice 2017-59 providing guidelines for taxpayers claiming certain refunds of federal excise tax imposed on undyed diesel fuel or kerosene removed from Milwaukee terminals and transported to Green Bay terminals by truck or railcar due to the shutdown of the West Shore Pipeline.

Reason for Notice 2017-59

Due to the pipeline shut down, federal excise tax is imposed on the removal of the undyed diesel or kerosene from the Milwaukee terminal (at a rate of \$0.244 per gallon). A second tax is imposed on the same gallons of diesel or kerosene upon removal at the Green Bay terminal. If this diesel or kerosene is dyed at the Green Bay terminal, the second tax is imposed at a rate of \$0.001 per gallon. Without today's guidance, taxpayers are not able to claim a refund of the first tax.

[Notice 2017-59](#) [PDF 21 KB] that describes the procedures for claiming refund of tax. Taxpayers must follow the specific procedures set forth in this notice in claiming the refund of the first tax.

For previous guidance, read [Notice 2017-30](#) [PDF 24 KB] providing one-time temporary 180-day emergency relief—for the period beginning on May 3, 2017, and ending on October 30, 2017. Read also [TaxNewsFlash-United States](#)

For more information, contact a tax professional with KPMG's Excise Tax Practice group:

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