

TaxNewsFlash

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“Oil spill tax” imposed under section 4611 expired on December 31, 2025

The “oil spill tax” (OST) imposed under section 4611(a), (b)(1), and (c)(2)(B)—at the rate of 9 cents per barrel of crude oil or petroleum products—expired on December 31, 2025, in accordance with section 4611(f)(2).

Note that only the OST has expired; the Superfund financing tax imposed under section 4611(a), (b)(1), and (c)(2)(A)—at the rate of 18 cents per barrel for 2026—did not expire and is not set for expiration.

Update: The IRS on January 7, 2025, released [Announcement 2026-2](#) to confirm that the tax rate under section 4611 for 2026 includes only the 18 cents per barrel Superfund financing tax.

KPMG observation

The OST has previously expired and been reinstated (e.g., expired in 2018 and reinstated in 2020, and expired in 1994 and reinstated in 2006). So it is possible Congress may reinstate the OST at a future date.

[Form 6627 \(Environmental Taxes\)](#) has been updated to reflect the expiration of OST.

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