Instructions for Form 6627

(Rev. January 2023)

Environmental Taxes

Department of the Treasury
Internal Revenue Service

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 6627 and its instructions, such as legislation enacted after they were published, go to *IRS.gov/Form6627*.

What's New

CAUTION *Due to the IRS' acquiescence in a recent court case, the section 4611 tax on exported crude oil currently doesn't apply. See AOD 2023-01, at IRS.gov/Actions on Decisions.*

The Inflation Reduction Act of 2022 reinstates the section 4611 Hazardous Substance Superfund financing rate (petroleum Superfund tax rate) on domestic crude oil and imported petroleum products, effective January 1, 2023. **See *Part I. Tax on Petroleum (IRS Nos. 16, 18, 21, and 53),* later.**

The section 4681 tax rates for ozone-depleting chemicals (ODCs) are increased for 2023. **See *Part VI. Tax on Floor Stocks of ODCs,* later.**

Reminders

The Infrastructure Investment and Jobs Act reinstates the section 4661 excise tax on chemicals (other than ODCs) and the section 4671 tax on imported chemical substances, effective July 1, 2022 (they previously expired on December 31,1995).

- The tax rates for chemicals (other than ODCs) are listed on Form 6627, Part II.
- See Table of Taxable Imported Chemical Substances for a listing of taxable imported chemical substances and the IRS-provided tax rates for most of the substances. Any additional tax rates the IRS provides will be available either online or in the Table of Taxable Imported Chemical Substances when they become available. Taxpayers are reminded that they may calculate their own tax rates for imported chemical substances, regardless of whether the IRS has provided a tax rate.
- Rev. Proc. 2022-26 provides procedures for requesting a determination that a substance be added or removed.
- See *Notice 2022-15* for information about temporary relief from the penalty for failure to deposit the 2022 third and fourth quarter taxes.
- For updates, such as the not yet shown tax rates for taxable imported chemical substances, or substances recently added or removed, go to *IRS.gov/Form6627*. Also see *frequently asked questions and answers*.

General Instructions

Purpose of Form

Use this form to figure the environmental taxes on domestic crude oil and imported petroleum products, chemicals (other than ozone-depleting chemicals (ODCs)), imported chemical substances, ODCs, imported products that used ODCs as materials in the manufacture or production of the product, and the floor stocks tax on ODCs. If you need more lines for any part of the form, prepare a continuation sheet using the same format as the part. Attach the continuation sheet with Form 6627 to Form 720, Quarterly Federal Excise Tax Return. See Pub. 510, Excise Taxes, for more information on environmental taxes. See the Instructions for Form 720 for information on when and where to file Form 6627.

Who Must File

For Petroleum

1. The operator of the refinery that receives crude oil;
2. The user of crude oil before tax is imposed; and
3. The person entering the petroleum products for consumption, use, or warehousing.

For Chemicals (other than ODCs)

The manufacturer, producer, or importer of chemicals who sells or uses those chemicals.

For Imported Chemical Substances

The importer of substances who sells or uses those substances.

For ODCs

1. The manufacturer or importer of ODCs who sells or uses those ODCs;
2. The importer of taxable products who sells or uses those products; and
3. The person other than the manufacturer or importer of ODCs who holds ODCs for sale or use in manufacturing on January 1, 2023.

Specific Instructions

Part I. Tax on Petroleum (IRS Nos. 16, 18, 21, and 53)

The tax rate on domestic crude oil and imported petroleum products is the sum of the Oil Spill Liability Trust Fund financing rate (petroleum oil spill tax rate) and the Hazardous Substance Superfund financing rate (petroleum Superfund tax rate). The petroleum oil spill tax rate is $0.09 per barrel. For 2023, the petroleum Superfund tax rate is $0.164 per barrel (this rate will be indexed annually for inflation).

Although the domestic crude oil or imported petroleum products are reported separately, there is no difference in tax rates. For domestic crude oil, report the petroleum oil spill tax rate on IRS No. 18 and the petroleum Superfund tax rate on IRS No. 53. For imported petroleum products, report the petroleum oil spill tax rate on IRS No. 21 and the petroleum Superfund tax rate on IRS No. 16.

Crude oil. Tax is imposed on domestic crude oil when it is received at a U.S. refinery. Crude oil includes crude oil condensates and natural gasoline. The operator of the refinery is liable for the tax. Tax is imposed on imported crude oil received at a U.S. refinery unless the imported petroleum products tax was imposed when the imported crude oil was entered into the United States. The operator of a U.S. refinery that receives imported crude oil must establish that tax was previously imposed on the imported crude oil.

User of crude oil. Tax is imposed on domestic crude oil that's used before it is received at a U.S. refinery. The user is liable for the tax. Crude oil used for extracting oil or natural gas on the premises where the crude oil is produced is not taxable.

Imported petroleum products. Tax is imposed on imported petroleum products when they are entered into the United States for use, consumption, or warehousing. Petroleum products include crude oil, refined and residual oil, and other liquid hydrocarbon refinery products. The person entering the petroleum product into the country is liable for the tax.

The tax on petroleum is imposed only once on any imported petroleum product. The enterer must provide documentation of the tax imposed on imported crude oil to the refinery operator if requested by the refinery operator.

Fractional barrels. Fractional barrels are taxed at a proportionate rate using the fraction produced by the number of gallons in the barrel over 42 gallons. Multiply the resulting fraction by the sum of the $0.09 per barrel petroleum oil spill tax rate and the $0.164 per barrel petroleum Superfund tax rate.

Part III. Tax on Imported Chemical Substances, IRS No. 17

The imported chemical substance tax is equal to the chemical tax that would have been imposed on the taxable chemicals (listed in Part II of Form 6627) used as materials in the manufacture of the substance if such substance had been manufactured in the United States. See Table of Taxable Imported Chemical Substances for the substances to which the imported substance tax applies.

To figure the tax, you'll generally need to know the ratio of the weight of each taxable chemical used to make the substance to the total weight of the substance (the conversion factor). If you don't have enough information to determine the conversion factor and the IRS has provided a tax rate for the substance, either online or in Table of Taxable Imported Chemical Substances, then that tax rate applies. If you don't have enough information to determine the conversion factor and the IRS hasn't provided a tax rate for the substance, then the tax is 10% of the appraised entry value of the substance.

Follow the steps, next, to figure the tax for Part III, lines 1 through 3.

Column (a). Enter the imported chemical substance subject to tax.

Column (b). Enter the number of tons of the substance imported and sold or used.

Column (c). Enter each taxable chemical (listed in Part II of Form 6627) used in the manufacture of the substance. If using an IRS-provided tax rate or a tax rate based on 10% of the appraised entry value of the substance, there's no need to enter information in column (c).

Column (d). Enter the conversion factor for each taxable chemical or the appraised entry value of the total amount of the substance. If using an IRS-provided tax rate, there's no need to enter information in column (d).

Column (e). Enter the tax rate of each taxable chemical from Part II of Form 6627. If you don't have enough information to determine the conversion factor and are using an IRS-provided tax rate, enter that tax rate here. If you don't have enough information to determine the conversion factor and you're figuring the tax based on appraised entry value, enter 10% here.

Column (f). Multiply the number of tons in column (b) by the conversion factor in column (d) by the rate in column (e) for each taxable chemical listed. If you don't have enough information to determine the conversion factor and the IRS has provided a tax rate, multiply column (b) by column (e). If you don't have enough information to determine the conversion factor and the IRS hasn't provided a tax rate, you must use the appraised entry value to figure the tax. To figure the tax using appraised entry value, multiply the appraised entry value in column (d) by the rate (10%) in column (e).

Part IV. Tax on Ozone-Depleting Chemicals (ODCs), IRS No. 98

The following ODCs are taxable.

Post -1989 ODCs	Tax per Pound in 2023
CFC-11	$17.95
CFC-12	17.95
CFC-113	14.36
CFC-114	17.95
CFC-115	10.77
Halon-1211	53.85
Halon-1301	179.50
Halon-2402	107.70

Post-1990 ODCs	Tax per Pound in 2023
Carbon tetrachloride	19.74
Methyl chloroform	1.79
CFC-13, CFC-111, CFC-112, and CFC-211 through CFC-217	17.95

The tax per pound rates above are figured using the ozone-depletion factor. Do not multiply the tax per pound by the ozone-depletion factor.

Mixture elections. Generally, the creation of a mixture containing one or more ODCs by the manufacturer or importer of an ODC is treated as the use of the ODC in the mixture. However, the manufacturer or importer may elect to treat the sale or use of the mixture as the first sale or use of the ODC in the mixture.

Post-1989 ODCs (the 1990 election). If this election is made, the tax on the post-1989 ODCs (listed earlier) contained in the mixture is imposed on the date of sale or use of the mixture. To make the election, check the first box in Part IV, under *Elections.* This election may be revoked only with the consent of the IRS.

Post-1990 ODCs (the 1991 election). If this election is made, the tax on the post-1990 ODCs (listed earlier) contained in the mixture is imposed on the date of sale or use of the mixture. To make the election, check the second box in Part IV, under *Elections*. This election may be revoked only with the consent of the IRS.

Column (c). Enter the tax per pound using the chart earlier.

Part V. ODC Tax on Imported Products, IRS No. 19

An imported taxable product is any product entered into the United States for consumption, use, or warehousing if any ODC was used as material in the manufacture or production of the product. The product must also be listed in the imported

products table issued by the IRS. See Regulations section 52.4682-3(f)(6). The tax is based on the weight of ODCs used in the manufacture of the product. If the weight can't be determined under the exact method or table method (see below), the tax is 1% of the entry value of the product (value method).

Importer election. Generally, an imported taxable product is taxed when sold or used by the importer. However, an importer may elect to treat the entry of products into the United States as the use of such products. This election applies to all products held by the importer when the election becomes effective, and all products the importer enters into the United States after the election becomes effective. If an election applies to an imported taxable product, tax is imposed on the product on the date of entry. To make the election, check the box in Part V, under *Elections.* This election may be revoked only with the consent of the IRS.

Figure the ODC Weight of the Product as Follows

Exact method. If you determine the weight of each ODC used as a material in the manufacture of the product and you can support this determination, the ODC weight is the weight you determine.

Table method. If you don't use the exact method and the ODC weight is listed in the imported products table, use the ODC weight listed to figure the tax. See Pub. 510 for more information.

Follow the steps, next, to figure the tax for Part V, lines 1 through 3.

Column (a). Enter the imported product and the applicable ODC. Use additional lines if there is more than one ODC.

Column (b). Enter the number of taxable products imported.

Column (c). Enter the ODC weight of the product in pounds. If you are using the value method, don't complete this column.

Column (d). Enter the tax per pound from the chart in the instructions for Part IV, earlier. If you are using the value method, enter 1% (0.01).

Column (e). If you are using the value method to figure the tax, enter the entry value of the total number of imported products.

Column (f). Figure the tax due by multiplying the number of products in column (b) by the ODC weight in column (c) by the tax per pound in column (d). If you are using the value method, multiply the 1% (0.01) rate in column (d) by the entry value in column (e).

Part VI. Tax on Floor Stocks of ODCs

The floor stocks tax for 2023 is imposed on the following ODCs.

ODCs	Tax per Pound in 2023
CFC-11	$0.45
CFC-12	0.45
CFC-113	0.36
CFC-114	0.45
CFC-115	0.27
Halon-1211	1.35
Halon-1301	4.50
Halon-2402	2.70
Carbon tetrachloride	0.495
Methyl chloroform	0.045
CFC-13, CFC-111, CFC-112, and CFC-211 through CFC-217	0.45

CAUTION *The tax per pound rates above are figured using the ozone-depletion factor. Do not multiply the tax per pound by the ozone-depletion factor.*

For 2023, you are liable for the floor stocks tax if, on January 1, you hold any of the following.

1. At least 400 pounds of ODCs, other than halons or methyl chloroform, subject to the floor stocks tax.
2. At least 50 pounds of halons.
3. At least 1,000 pounds of methyl chloroform.

Report the tax on Form 6627 and Form 720 for the second calendar quarter of 2023. Payment of the tax is due by June 30, 2023.

Column (c). Enter the tax per pound using the chart above.

Table of Taxable Imported Chemical Substances (Beginning July 1, 2022)

* Tax rate per ton (Rate/Ton) to be determined at a later date and published at IRS.gov/Form6627 as soon as they become available.

Imported Chemical Substance	Rate/Ton ($)	Effective Date
1,3-butylene glycol	7.28	7/1/2022
1,4 butanediol	4.68	7/1/2022
1,5,9-cyclododecatriene	9.74	7/1/2022
2,2,4-trimethyl-1,3-pentanediol diisobutyrate	*	7/1/2022
2,2,4-trimethyl-1,3-pentanediol monoisobutyrate	*	7/1/2022
2-ethyl hexanol	7.16	7/1/2022
2-ethylhexyl acrylate	7.34	7/1/2022
acetic acid	*	7/1/2022
acetone	20.06	7/1/2022
acetylene black	10.52	7/1/2022
acrylic acid resins	5.65	7/1/2022

Imported Chemical Substance	Rate/Ton ($)	Effective Date
methacrylic acid resins	14.94	7/1/2022
acrylonitrile	9.38	7/1/2022
adipic acid	6.13	7/1/2022
adiponitrile	8.57	7/1/2022
allyl chloride	10.38	7/1/2022
alpha-methylstyrene	9.93	7/1/2022
ammonium nitrate	1.49	7/1/2022
aniline	9.40	7/1/2022
benzaldehyde	8.47	7/1/2022
benzoic acid	7.31	7/1/2022
bisphenol-A	10.23	7/1/2022
butanol	6.31	7/1/2022
butyl acrylate	6.84	7/1/2022
butyl benzyl phthalate	12.15	7/1/2022
carbon tetrachloride	10.62	7/1/2022
chlorinated polyethylene	10.25	7/1/2022
chloroform	10.51	7/1/2022
chromic acid	4.37	7/1/2022
cumene	9.74	7/1/2022
cyclododecanol	9.05	7/1/2022
cyclohexane	10.02	7/1/2022
decabromodiphenyl oxide	17.99	7/1/2022
di-2 ethyl hexyl phthalate	7.37	7/1/2022
diethanolamine	6.01	7/1/2022
diglycidyl ether of bisphenol-A	13.86	7/1/2022
diisopropanolamine	12.76	7/1/2022
dimethyl terephthalate	5.91	7/1/2022
dimethyl-2, 6-naphthalene dicarboxylate	6.81	7/1/2022
di-n-hexyl adipate	8.23	7/1/2022
diphenyl oxide	13.73	7/1/2022
diphenylamine	10.28	7/1/2022
epichlorohydrin	12.89	7/1/2022
ethyl acetate	*	7/1/2022
ethyl acrylate	4.09	7/1/2022
ethyl alcohol for nonbeverage use	5.94	7/1/2022
ethyl chloride	4.52	7/1/2022
ethyl methyl ketone	7.60	7/1/2022
ethyl benzene	9.74	7/1/2022
ethylene dibromide	9.03	7/1/2022
ethylene dichloride	6.62	7/1/2022
ethylene glycol	4.38	7/1/2022
ethylene oxide	6.23	7/1/2022
ethylene bistetrabromophthalimide	*	7/1/2022
ferrochrome ov 3 pct. carbon	4.83	7/1/2022

Imported Chemical Substance	Rate/Ton ($)	Effective Date
ferrochromium nov 3 pct.	4.83	7/1/2022
ferronickel	*	7/1/2022
formaldehyde	*	7/1/2022
formic acid	*	7/1/2022
glycerine	*	7/1/2022
hexabromocyclododecane	9.11	7/1/2022
hexamethylenediamine	8.93	7/1/2022
hydrogen peroxide	*	7/1/2022
isobutyl acetate	4.47	7/1/2022
isophthalic acid	6.23	7/1/2022
isopropyl acetate	4.54	7/1/2022
isopropyl alcohol	6.82	7/1/2022
linear alpha olefins	9.74	7/1/2022
maleic anhydride	5.75	7/1/2022
melamine	4.28	7/1/2022
methanol	*	7/1/2022
methyl acrylate	5.39	7/1/2022
methyl chloroform	6.37	7/1/2022
methyl isobutyl ketone	23.65	7/1/2022
methyl methacrylate	14.75	7/1/2022
methylene chloride	10.33	7/1/2022
monochlorobenzene	10.12	7/1/2022
monoethanolamine	5.96	7/1/2022
monoisopropanolamine	11.74	7/1/2022
nickel oxide	7.03	7/1/2022
nickel powders	*	7/1/2022
nickel waste and scrap	*	7/1/2022
normal butyl acetate	4.47	7/1/2022
normal propyl acetate	3.73	7/1/2022
nylon 6/6	8.67	7/1/2022
ortho-dichlorobenzene	10.35	7/1/2022
ortho-nitrochlorobenzene	7.49	7/1/2022
para-dichlorobenzene	10.35	7/1/2022
paraformaldehyde	*	7/1/2022
para-nitrochlorobenzene	7.49	7/1/2022
para-nitrophenol	8.59	7/1/2022
pentaerythritol	3.86	7/1/2022
perchloroethylene	10.89	7/1/2022
phenol	12.47	7/1/2022
phenolic resins	9.86	7/1/2022
phosphorous pentasulfide	2.49	7/1/2022
phosphorous trichloride	6.21	7/1/2022
phthalic anhydride	7.01	7/1/2022
poly (69/31 ethylene/cyclohexylenedimethylene terephthalate)	*	7/1/2022

Imported Chemical Substance	Rate/Ton ($)	Effective Date
poly (96.5/3.5 ethylene/cyclohexylenedimethylene terephthalate)	*	7/1/2022
poly (98.5/1.5 ethylene/cyclohexylenedimethylene terephthalate)	*	7/1/2022
poly 1,4 butyleneterephthalate	7.21	7/1/2022
poly(ethyleneoxy)glycerol	*	7/1/2022
poly(propylene)glycol	10.38	7/1/2022
poly(propylene/ethylene)glycol	8.84	7/1/2022
poly(propyleneoxy)glycerol	*	7/1/2022
poly(propyleneoxy)sucrose	2.04	7/1/2022
poly(propyleneoxy/ethyleneoxy)benzenediamine	*	7/1/2022
poly(propyleneoxy/ethyleneoxy)diamine	*	7/1/2022
poly(propyleneoxy/ethyleneoxy)glycerol	*	7/1/2022
poly(propyleneoxy/ethyleneoxy)sucrose	2.57	7/1/2022
polyalphaolefins	11.37	7/1/2022
polybutadiene	9.74	7/1/2022
polybutene	9.74	7/1/2022
polybutylene	9.74	7/1/2022
polybutylene/ethylene	9.74	7/1/2022
polycarbonate	10.84	7/1/2022
polyethylene resins (total)	9.74	7/1/2022
polyethylene terephthalate pellets	6.82	7/1/2022
polypropylene	9.74	7/1/2022
polypropylene resins	9.74	7/1/2022
polystyrene homopolymer resins	9.93	7/1/2022
polystyrene resins and copolymers	*	7/1/2022
polyvinylchloride resins	7.46	7/1/2022
propanol	5.47	7/1/2022
propylene glycol	10.38	7/1/2022
propylene oxide	13.60	7/1/2022
sodium nitriolotriacetate monohydrate	*	7/1/2022
styrene	9.93	7/1/2022
styrene-butadiene (latex)	9.84	7/1/2022
styrene-butadiene (snpf)	*	7/1/2022
synthetic linear fatty alcohol ethoxylates	7.12	7/1/2022
synthetic linear fatty alcohols	9.29	7/1/2022
synthetic rubber (not containing fillers)	*	7/1/2022
terephthalic acid	6.23	7/1/2022
tetrabromobisphenol-A	14.79	7/1/2022
tetrachlorophthalic anhydride	8.95	7/1/2022
tetrahydrofuran	5.78	7/1/2022
texanol benzyl phthalate	*	7/1/2022
toluene diisocyanate	10.85	7/1/2022
toluenediamine	9.18	7/1/2022
trichloroethylene	10.79	7/1/2022
triethanolamine	6.04	7/1/2022

Imported Chemical Substance	Rate/Ton ($)	Effective Date
triisopropanolamine	12.84	7/1/2022
trimethylolpropane	4.63	7/1/2022
unwrought nickel	*	7/1/2022
urea	3.01	7/1/2022
vinyl acetate	3.83	7/1/2022
vinyl chloride	7.46	7/1/2022
vinyl resins (nspf)	*	7/1/2022
vinyl resins	*	7/1/2022
wrought nickel rods and wire	*	7/1/2022