



**STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR**

**JOSH STEIN
GOVERNOR**

SENT VIA EMAIL

United States Internal Revenue Service
Office of the Commissioner
1111 Constitution Ave NW
Washington, DC 20224

To whom it may concern,

I am writing to request that the Internal Revenue Service grant the State of North Carolina the maximum available period of penalty relief for the regular highway use of dyed diesel fuel in accordance with IRM 25.16.1.5. North Carolinians across our state are experiencing significant hardship due to rising costs for their everyday needs, including food. And farmers are struggling with the rising cost of diesel fuel.

This month, diesel prices have reached record highs, with the price per gallon reaching \$6.25 in North Carolina. Furthermore, according to the US Energy Information Administration, domestic inventories of diesel earlier this month reached the lowest point since recordkeeping began, with 107.9 million barrels on hand. These high prices present significant hardship for our state's farmers as they begin conducting the harvesting operations that are critical to ensuring North Carolina's farm goods reach markets abroad and our own tables here at home. Since many agricultural producers have stores of non-taxed dyed diesel fuel on hand for off-road use, penalty relief to allow road use will meaningfully reduce the economic hardship our farmers experience.

Agriculture is our state's biggest industry, employing one out of every five North Carolinians and generating \$117 billion in annual economic activity. Our farmers and our families need our support amid these challenging times. I appreciate your consideration of this request.

Best regards,

A handwritten signature in black ink that reads "Josh Stein". The signature is written in a cursive, flowing style.

Josh Stein
Governor of North Carolina

Cc: Honorable McKinley Wooten, North Carolina Secretary of Revenue
Honorable Scott Bessent, United States Secretary of the Treasury