



TaxNewsFlash

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AOD 2023-1: IRS acquiescence to Fifth Circuit decision, tax on exports of domestic crude oil held unconstitutional

Action on Decision (AOD) 2023-1 reflects the IRS acquiescence to a March 2022 decision of the U.S. Court of Appeals for the Fifth Circuit.

The Fifth Circuit affirmed a federal district court's grant of summary judgment to the taxpayer that the levy imposed on exports of domestic crude oil under section 4611(b) is "tax" (and not a fee) and as such was unconstitutional. Read [TaxNewsFlash](#)

A synopsis of the AOD 2023-1 (which appears in [Internal Revenue Bulletin 2023-10](#) [PDF 996 KB] (March 6, 2023)) explains that:

Although the Service disagrees with the decision, in the interest of sound tax administration, it will follow the decision in all circuits

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