

# Motor Fuel Tax Information By State

Updated September 2024



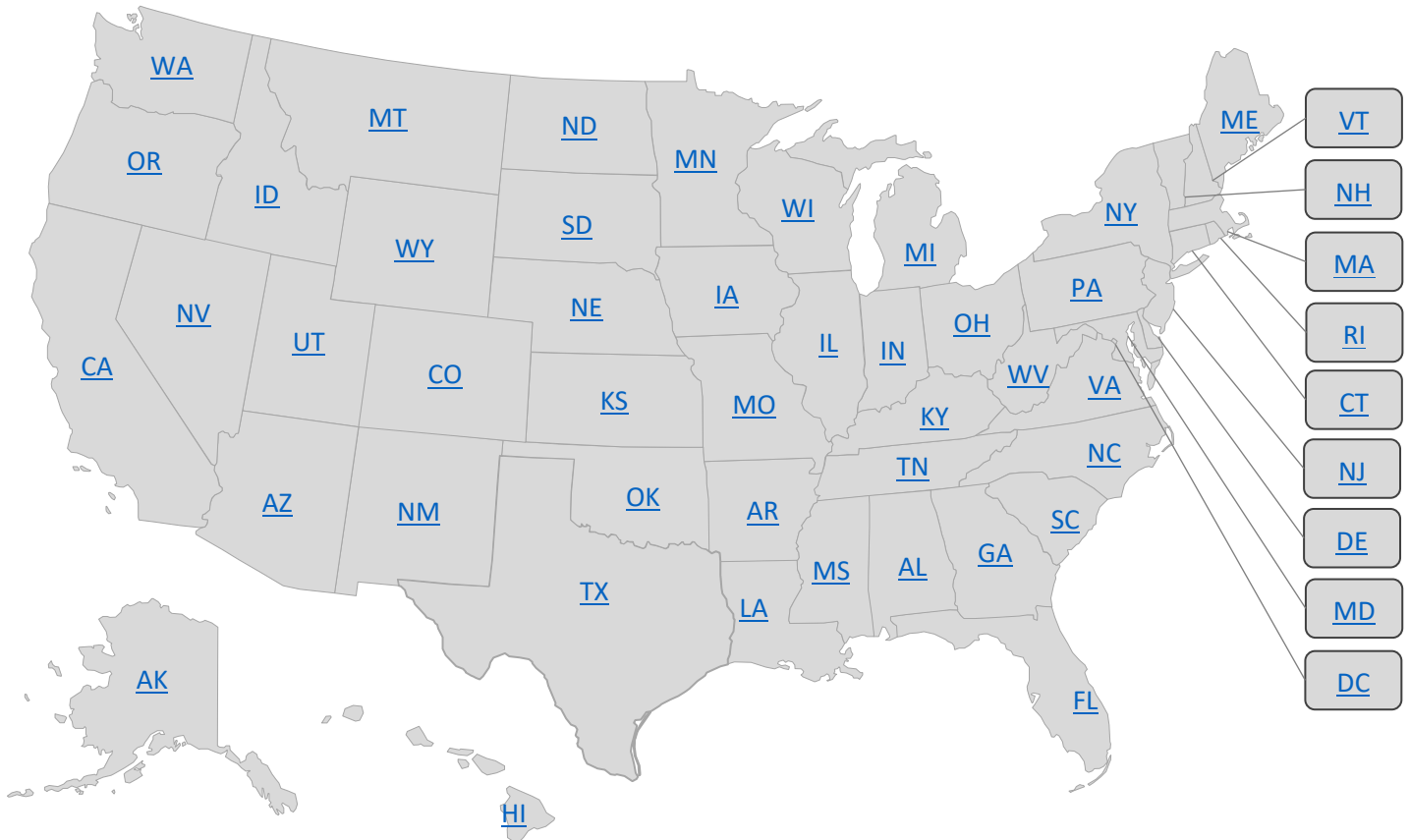
# **DISCLAIMER**

**The information in this booklet was obtained in September of 2024 and could have changed by the time of print.**

**DO NOT rely on this booklet as the current laws of the States.**

# Motor Fuel Directory by State

(Click on the state abbreviation to go to the individual state information)



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# **STATE OF ALABAMA**

## **Section 1-Contact Information**

**Agency:** Department of Revenue

**Name:** Natasha Avies

**Street Address:** 50 N Ripley St., Room 1210 City,

**State Zip Code:** Montgomery, AL 36130 **Phone**

**Number:** (334) 242-9608

**Fax Number:** (334) 242-1199

**E-mail Address:** natasha.avies@revenue.alabama.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

**Gasoline:** 40-17-320 thru 40-17-371

**Diesel:** 40-17-320 thru 40-17-371

**Aviation and Jet Fuel:** 40-17-320 thru 40-17-363

## **Section 3-State Point of Taxation**

**Gasoline:** Terminal (October 1, 2012)

**Diesel:** Terminal (October 1, 2012)

**Aviation Fuel:** Terminal (October 1, 2012)

**Jet Fuel:** Terminal (October 1, 2012)

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver-:** Not defined in Alabama Motor Fuel Statutes

**Point of Taxation:** Code Section 40-17-326, Code of Alabama, 1975

Removal from the rack, import into Alabama, transfer of fuel in the bulk terminal system to a non-registered person, and/or blending of product outside the bulk terminal system

### **Section 5-State Tax Rates**

**Gasoline:** \$.29 per gallon (Effective October 1, 2023)

**Diesel:** \$.30 per gallon (Effective October 1, 2023)

**Aviation Fuel:** \$.095 per gallon (Effective October 1, 2012)

**Jet Fuel:** \$.035 per gallon (Effective October 1, 2012)

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

The tax is calculated based on net gallons. Reference: Administrative Rule 810-8-1-.58

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Alabama has a \$.01 per gallon above ground and underground storage tank charge on gasoline and diesel fuel products.(Effective May 1, 2024) Statutory Reference: Sections 22-35-1 through 22-35-13, Code of Alabama, 1975.

The inspection fee of \$.02 was added to the gasoline excise tax and the administration of the inspection fee was transferred to the Department of Revenue effective October 1, 2016. The inspection fee rates are \$.02 per gallon for dyed diesel fuel, \$.01 per gallon for dyed kerosene, and \$.15 per gallon for lubricating oil. Statutory Reference: Sections 8-17-80 through 8-17-102, Code of Alabama, 1975.

Alabama levies a wholesale oil/import license fee of \$.0075 per gallon on all diesel fuel, except transmix or diesel fuel where the terminal issued shipping document shows a destination state other than Alabama, when it crosses the rack or upon import into Alabama. Statutory Reference: Section 40-17-174, Code of Alabama, 1975.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

Effective October 1, 2023, Section 40-17-370, Code of Alabama, 1975, increased the state excise tax on gasoline to \$.29 per gallon and to \$.30 per gallon for undyed diesel.

Section 40-14-370, Code of Alabama 1975, also provides for the following additional excise tax rate increases/indexing effective October 1, 2023 and on July 1 of every other year thereafter:

- The gasoline and undyed diesel excise tax rate will be adjusted by the percentage



change in the yearly average of the National Highway Construction Cost Index and rounded to the nearest whole cent with the increase or decrease of the excise tax rate not exceeding \$.01 per gallon.

Also, Section 40-17-331, Code of Alabama 1975, levies a floor-stocks tax for the additional excise tax due on any wholesale distributor holding motor fuel in inventory outside of the bulk transfer/terminal system on the effective date of each tax increase imposed under the Rebuild Alabama Act (Act 2019-2). A floor-stocks tax return shall be filed and the tax paid on or before the last day of the third month following the tax increase.

Section 40-17-168.2, Code of Alabama 1975, sets the gasoline and diesel fuel gallon equivalent rates for CNG and LNG. The Diesel Gallon Equivalent (DGE) is 6.059 pounds of LNG for one gallon of diesel fuel and the Gasoline Gallon Equivalent (GGE) is 5.66 pounds or 126.67 cubic feet for one gallon of gasoline. Effective October 1, 2018, the excise tax is \$.08 per DGE or GGE. The excise tax increased to \$.13 per DGE or GGE on October 1, 2023. On October 1, 2028, the excise tax will increase to the rate that is in effect on October 1, 2028 for gasoline and undyed diesel. Public sellers and fleet producers are required to post a bond and get licensed and file monthly returns. Personal producers are required to submit an annual application fee of \$100 per CNG vehicle. If the vehicle is purchased or converted during the year, reduced application fees apply.

### **Section 8-State Collection Allowance**

Supplier and Permissive Supplier that timely file with payment may deduct from the amount of tax payable with the return an administrative discount of one half of one percent (.005) of the amount of tax payable to the state. (No Limit)

Supplier and Permissive Supplier that timely file with payment may deduct from the amount of tax payable with the return an administrative discount of one tenth of one percent (.001) of the amount of tax payable to the state not to exceed \$2,000 per month.

Licensed distributors or importers that timely pay the tax due to a supplier or permissive supplier may deduct from the amount due to the supplier or permissive supplier a discount of four tenth of one percent (.004) of the amount of tax payable.

### **Section 9-State Diversion Requirements**

**Diversion Required:** Yes

**If Diversion is required, please state Statue and/or Rule required to obtain a Diversion Number.**

Section 40-17-350, Code of Alabama, 1975

**What diversion registry program do you use?**

Fuel Trac

**What products are subject to the diversion requirement?**

Gasoline, Diesel, Aviation, and Jet Fuel

**Diversion Requirements**

Diversion must be reported and diversion number received before fuel is diverted to Alabama.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Only licensed suppliers or exporters can apply for refunds if they pay the tax and fuel is diverted to another state.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

No

**If not required, do you allow the Supplier/Distributor to rebill or a credit for the diverted load?**

Yes

**Any Additional Comments?****Section 10-Alternative Fuels Incentives and Laws****State Incentives****High Occupancy Vehicle (HOV) Lane Exemption**

None

**Electric Vehicle (EV) Equipment Tax Credit**

None

**Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.30/gallon (Effective October 1, 2023)	B100 is taxable	Subject to UST Fee	\$0.00/gallon	Not taxable	Not taxable

**Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
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B100 is treated like diesel fuel. The tax rate is \$0.30/gallon (Effective October 1, 2023)	Ethanol is taxable when blended with Gasoline. Subject to \$0.29/gallon (Effective October 1, 2023).
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**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$.13 per GGE (Effective October 1, 2023)	
<b>E85</b>	\$.29 per gallon (Effective October 1, 2023)	
<b>Electric Vehicles/Electricity</b>		<b>Annual License Tax &amp; Registration Fee (Motor Vehicle Division)</b>
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$.13 per DGE (Effective October 1, 2023)	
<b>LPG (Liquefied Petroleum Gas)</b>		<b>Decal – State LPG Board</b>
<b>Methanol or “M85”</b>		<b>Methanol - Not Applicable M85 - \$.29 per gallon (when blended with gasoline) (Effective October 1, 2023)</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Gasoline Blendstocks - Not taxable until blended</b>	<b>\$.29 per gallon (when blended with gasoline) (Effective October 1, 2023 ) October 1, 2023)</b>	<b>Not reportable until blended with gasoline</b>
<b>Biodiesel</b>	<b>\$.30 per gallon (Effective October 1, 2023)</b>	<b>Yes</b>
<b>Transmix</b>	<b>\$.30 per gallon (Effective October 1, 2023) October 1, 2023)</b>	<b>Yes</b>

**Section 16-How does your state handle contaminated fuel?**

Code Section 40-17-329, Code of Alabama, 1975 provides for a refund of the excise tax paid on contaminated fuel.

**Section 17-Does your state allow bad debt credits?**

Yes. In accordance with Code Section 40-17-343, Code of Alabama, 1975, the supplier or permissive supplier may deduct the tax payments that are not remitted by the licensed distributor or licensed importer if the supplier or permissive supplier notifies the state within 20 business days after a return is due of any licensed distributor, importer, or exporter who failed to pay the tax due.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Terminal Excise Tax Returns (Supplier, Permissive Supplier,	Due on or before the 20 <sup>th</sup> day of the month following the month of activity	Due on or before the 20 <sup>th</sup> day of the month following the month of activity.

Importer, Exporter, & Blender)		Importers importing motor fuel acquired at an out-of-state terminal from a supplier who has not pre-collected the Alabama excise tax must remit the tax due on or before the 3 <sup>rd</sup> business day following the day of importation.
Transporter	Due by the last day of the month following the month covered by the report	No payment due by transporters
Terminal Operator – Annual Return	Due on or before January 31 for the prior calendar year	Due on or before January 31 for the prior calendar year
Terminal Operator – Monthly Return	Due by the last day of the month following the month covered by the report	No payment due by terminal operator
Wholesale Oil/Import License Fee	Due on or before October 14 of each calendar year for the period October 1 through September 30	Due on or before October 14 of each calendar year for the period October 1 through September 30
Storage Tank Trust Fund Charge	Due on or before the 20th day of the month following the month of activity	Due on or before the 20th day of the month following the month of activity

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

For items sent through the U. S Postal Service, we go by the postmark date for timely filing.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Return must be filed electronically before 4:00 pm CST on or before the due date of the -return.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The following business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Terminal Excise Tax Returns (Supplier, Permissive Supplier, Importer, Exporter, & Blender)	The greater of 10% of the tax due or \$50.00	10% of the tax due
Transporter	\$50.00, no tax due	No payment due
Terminal Operator – Annual Return	The greater of 10% of the tax due or \$50.00	1% per month or fraction thereof, not to exceed 25%
Terminal Operator – Monthly Return	\$50.00, no tax due	No payment due
Wholesale Oil/Import License Fee	The greater of 10% of the tax due or \$50.00	1% per month or fraction thereof, not to exceed 25%
Storage Tank Trust Fund Charge	The greater of 10% of the tax due or \$50.00	10% of the tax due

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is taxable as gasoline. Our law does not specify a percentage range to be classified as E85. We would default to the Federal requirement.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes. Transporters for hire must file monthly returns.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Rule 810-8-1-.05 allows flash sales at the terminal. The excise tax is due based upon the destination state listed on the terminal issued shipping document.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Yes. The state excise taxes can be deferred between a Supplier and their customer. Code Section 40-17-341 allows; at the election of the licensed distributor and licensed importer, the supplier or permissive supplier may not require the licensed distributor or licensed importer to pay the excise taxes levied by section 40-17-325 earlier than one business day before the date the supplier or permissive supplier is required to pay the tax to the state.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Only the state excise taxes can be deferred. The deferral does not apply to the environmental or inspection fees.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Gasoline – No

Clear Diesel – Yes, if the excise tax is refunded for off-road use, then the product is subject to the state sales tax.

Dyed Diesel – Yes

The state sales tax rate is 4% of the sales price.

To change the rate would require an amendment to the statutes through the Legislature. The tax is imposed on value and it is collected at the retail level when the product is sold to the consumer.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

The bond requirement for a supplier, permissive supplier, or terminal operator is twice the average monthly liability. The maximum bond for a supplier, permissive supplier, or terminal operator is \$3,000,000.

The bond requirement for an exporter, importer, blended, or distributor is a minimum of \$2,000 or twice the average monthly liability, whichever is greater.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail

- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1,2,3,5,6,8,10
Permissive Supplier	X	1,2,3,5,6,8,10
Distributor		3
Importer	X	1
Exporter		2
Blender	X	8
Terminal Operator		7
Transporter		6
Aviation Fuel Purchaser		
Exempt Entity		

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, Alabama does not require that the seller collect both origin and destination states taxes. Licensed suppliers collect the destination state tax, unless the supplier is not licensed in the destination state or the exporter does not have a valid Alabama exporter's license. If the supplier is not properly licensed in the destination state or the exporter does not have a valid Alabama exporter's license, then the supplier is required to collect the Alabama excise tax.

**Section 32- If your state taxes at the rack, does your state require pre-collection election?**

Our statutes do not specifically reference a pre-collection election. Our law does allow licensed permissive suppliers to collect the Alabama excise tax on terminal issued shipping documents that originate out-of-state and show Alabama as the destination state.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

The filing requirement for the terminal excise tax return is mandatory electronic filing; therefore, amended returns are filed electronically only. Amended return are full replacements, so the state requires the resubmission of the entire return including changes. Supplemental returns are not acceptable.



**Section 34-Does your state allow credit and rebills on the current month report?**

Alabama does not require a supplier or distributor to rebill, but if the supplier rebills there is nothing in the law that states that the supplier cannot rebill. If they rebill, they are required to report the information based upon the month of activity. They cannot include a prior period on the current return.

**Section 35-How many days are allowed to report late loads?**

Transactions must be reported in the month of activity. If a load is left off a return, the taxpayer should file an amended return for that period. You cannot include prior period information on the current return.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Alabama's shipping document/invoice requirements are referenced in Section 40-17-350, Code of Alabama 1975 and Rule 810-8-1-.56.

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

Section 40-17-329, Code of Alabama 1975: United States Government, County Governing Body, Incorporated Municipal Governing Body, City and County Boards of Education, Alabama Institute for Deaf and Blind, Department of Youth Services School District, Private and Church School Systems K thru 12.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Taxpayer Bill of Rights & Rule 810-14-1-.11: There is a three-year statute of limitations which extends to a six-year statute of limitations if the omission is 25 percent or more of the taxable base.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Section 40-17-330, Code of Alabama 1975: A motor fuel tax refund can be claimed within two years of the date the motor fuel was purchased for refunds listed under Section 40-17-329, Code of Alabama 1975.

Taxpayer Bill of Rights & Rule 810-14-1-.19: For petition for refunds of overpayments of tax paid directly to the Department of Revenue, the time limitation is within three years from the date the return was filed, or two years from the date of payment of the tax, whichever is later, or, if no return was timely filed, two years from the date of payment of the tax.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Petition for Refund form “B&L:RP” must be submitted for a refund claim of the overpayment of tax from an amended return.

**Section 41- Does your state accept electronic BOLs?**

Bills of lading are required to be printed and kept at the retail stations for audit purposes. And the driver of the transport vehicle should have a printed copy to present to enforcement officers if stopped on the road.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

When product is shipped by railcar, Alabama accepts the BOL date (origin sales).

**Section 43-Are tax return templates and instructions available on your state’s website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes, an example of the returns, schedules, and instructions are available on the website for informational purposes only. Mandatory electronic filing of the returns is required. And the required filing method is through XML and must be submitted via an approved software vendor. This information can be found at the following link: <https://www.revenue.alabama.gov/business-license/excise-tax-e-filing-preferred-vendors/>. There is a link for the pdf version of the returns and schedules, return instructions and return schedule instructions.

# STATE OF ALASKA

## **Section 1-Contact Information**

**Agency:** Department of Revenue, Tax Division

**Name:** Barry Grafel

**Street Address:** 550 W 7<sup>th</sup> Ave, Suite 500 **City,**

**State Zip Code;** Anchorage, AK 99501 **Phone**

**Number:** 907-269-3952

**Fax Number:** 907-269-6644

**E-mail Address:** barry.grafel@alaska.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Alaska statute 43.40 Motor Fuel Tax

Alaska Administrative Code 15 ACC 40.010-15AAC 40.900

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor **Aviation**

**Fuel:** Distributor **Jet Fuel:**

Distributor

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: The receiver or user of the fuel that is not a qualified dealer.

Point of Taxation: Alaska Statute 43.40.010 taxes on the transfer or consumption of motor fuel. Alaska Statute 43.40.100(2)(F) excludes the tax on transfers between qualified dealers.

## **Section 5-State Tax Rates**

**Gasoline:** 8 cents per gallon

**Diesel:** 8 cents per gallon

**Aviation Fuel:** 4.7 cents per gallon

**Jet Fuel:** 3.2 cents per gallon

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons?**

Billed gallons.

**Please provide the reference information.**

AS 43.40.010

### **Section 6-What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

**Surcharge** of \$0.0095 per gallon on refined fuel sold, transferred, or used in Alaska (AS 43.40.005(a)). Refined fuel is defined as fuel produced from oil that is used in an engine, machine, or contrivance that creates heat, energy, or power (AS 43.40.100(4)).

## **Section 7-Rate Updates**

**Please list any rate updates for your state:** No changes.

## **Section 8-State Collection Allowance**

One percent of the total monthly tax due per tax return, up to \$100 for each fuel type.

## **Section 9-State Diversion Requirements**

**Diversion Required:** No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?** NA

**What products are subject to the diversion requirement?**

## **Diversion Requirements**

**What party should apply for refund if applicable? (Supplier, customer, etc)**

No surrounding states

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? N/A**

## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives**

There are currently no State incentives offered in Alaska

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.08/gallon	B100 is taxable	None	\$0.08/gallon	Ethanol is taxable	None

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$0.08/gallon.	Ethanol is treated like gasoline. The rate is \$.08/gallon. Sales to licensed distributors are tax free.

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.08/gallon	<b>Industry standard</b>
<b>E85</b>	\$0.08/gallon	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No tax	
<b>Gasoline Hybrid Vehicles</b>	No tax	<b>Not Applicable</b>
<b>Hydrogen</b>	No tax	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.08/gallon	<b>Industry standard</b>

<b>LPG (Liquefied Petroleum Gas)</b>	No tax	
<b>Methanol or "M85"</b>	\$0.08/gallon	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Any</b>	<b>.08</b>	<b>yes</b>

**Section 16-How does your state handle contaminated fuel?**

Eligible for a refund with a claim for refund if disposed or the distributor would report the gallons sent back to the refinery by reversing their prior 88 reporting, which would reduce their tax liability and transfer the product back to the original distributor.

**Section 17-Does your state allow bad debt credits?**

No.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due date of Payment</b>
Gasoline	Last date of the month	Last date of the month
Diesel	Last date of the month	Last date of the month
Aviation	Last date of the month	Last date of the month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked date for mailed payments or submitted date if electronic paid by due date.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11.59 pm on due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Diesel Return	5% every 30 days late. Max 25% for payment and report	5% every 30 days late. Max 25% for payment and report
Gasoline Return	5% every 30 days late. Max 25% for payment and report	5% every 30 days late. Max 25% for payment and report
Aviation Return	5% every 30 days late. Max 25%	5% every 30 days late. Max 25%

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Ethanol is treated like all other fuels.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Each party must report the activity.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Twice the average tax liability or a minimum of \$5,000.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Distributor (only type of License)	X	1,2,3,5,6,8,9,10



**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33- When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Resubmission of the entire return including changes withing three years of the due date. Please provide details.**

**Section 34-Does your state allow credit and rebills on the current month report?**

No. Credit and rebills need to be reported on the period they occurred.

**Section 35-How many days are allowed to report late loads?**

No requirement other than to amend the return as needed.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

The invoice must show the type of fuel purchased, the number of gallons of fuel purchased and the amount of tax paid. 15 AAC 40.500

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

Charitable institutions - Alaska statute 43.40.100(2)(E)

Federal State and local governments - Alaska statute 43.40.100(2)(G)

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Within three years after the return was filed - Alaska statute 43.05.260

**Section 39-What is your statute of limitations to refund motor fuel tax?**

One year after the purchase of the refined or motor fuel - Alaska statute 43.40.050(b)

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

A refund of motor fuel tax via an amended return or a specific.

**Section 41- Does your state accept electronic BOLs?**

Yes

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

The BOL date.

**Section 43-Are tax return templates and instructions available on your state's website? Yes. If yes, please provide the web link to the templates and instructions.**

**Instructions:**

<https://tax.alaska.gov/programs/programs/archives/index.aspx?60210>

**Templets:**

<https://tax.alaska.gov/programs/programs/schemas/index.aspx>

**If no, please provide a contact to obtain the templates and instructions.**

# STATE OF ARIZONA

## **Section 1-Contact Information**

**Agency:** Arizona Dept. of Transportation, Revenue & Fuel Tax Administration

**Name:** Jennifer Simmons, Deputy Division Administrator

**Street Address:** 1801 W. Jefferson Street, Mail Drop 541M

**City, State Zip Code:** Phoenix, AZ 85007

**Phone Number:** 602-712-7626

**Fax Number:** 602-712-3445

**E-mail Address:** [jsimmons2@azdot.gov](mailto:jsimmons2@azdot.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Arizona Revised Statutes (ARS) Title 28, Chapter 16, Article 1.

## **Section 3-State Point of Taxation**

**Gasoline:** At the terminal rack or at import.

**Diesel:** At the terminal rack or at import.

**Aviation Fuel:** At the terminal rack or at import.

**Jet Fuel:** N/A

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: N/A

Point of Taxation: ARS 28-5606(D) states: Motor vehicle fuel and use fuel taxes imposed pursuant to this section on the use of motor vehicle fuel and use fuel and the aviation fuel taxes imposed pursuant to section 28-8344 on the use of aviation fuel, other than by bulk transfer, arise at the time the motor vehicle, use or aviation fuel either:

1. Is imported into this state and is measured by invoiced gallons received outside this state at a refinery, terminal, or bulk plant for delivery to a destination in this state.
2. Is removed, as measured by invoiced gallons, from the bulk transfer terminal system or from a qualified terminal in this state.
3. Is removed, as measured by invoiced gallons, from the bulk transfer terminal system or from a qualified terminal or refinery outside this state for delivery to a destination in this state as represented on the shipping papers if a supplier imports the motor vehicle, use or aviation fuel for the account of the supplier or the supplier has made a tax precollection election pursuant to section 28-5636.

### **Section 5-State Tax Rates**

**Gasoline:** \$ .18 per Gallon

**Diesel:** \$ .18 per Gallon/Light Class Vehicles; \$ .26 per Gallon/Use Class Vehicles

**Aviation Fuel:** \$ .05 per Gallon

**Jet Fuel:** Not subject to Motor Fuel Taxes

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Tax is collected on invoiced gallons per ARS 28-5606(D).

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

**Underground Storage Tank:** \$ .01 per Gallon

Per Arizona Revised Statutes (ARS) 49-1031 Imposition of tax

- a. From and after July 1, 1990, there is imposed, and the director shall collect an excise tax on the operation of underground storage tanks regulated under this chapter measured by the quantity of regulated substances placed in a tank in any calendar year. The tax is levied at the rate of one cent per gallon of regulated substance.
- b. For proper administration of this article, and to prevent the evasion of the tax imposed by this article, it shall be presumed until the contrary is established by competent proof under rules and procedures adopted by the director that all regulated substances that are motor vehicle fuel as defined in section 28-101, aviation fuel as defined in section 28-101 and diesel as defined in section 28-6001, subsection B and that are refined,

manufactured, produced, compounded or blended in this state, or imported into this state, will be placed in an underground storage tank from which the fuel is dispensed to users who consume the fuel and do not further distribute it. Under this presumption, the owner and operator of an underground storage tank from which motor vehicle fuel, aviation fuel or diesel is dispensed and from which no further bulk distribution will be made, shall be considered to have paid the tax collected under title 28, chapter 16, article 6.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

### **Section 8-State Collection Allowance**

Per Arizona Revised Statutes 28-5640, a supplier or permissive supplier that properly remits under this article may retain four-tenths of one percent of the taxes imposed by this article. The collection allowance is capped at \$200,000.00 per calendar year.

### **Section 9-State Diversion Requirements**

**Diversion Required:** No

**If Diversion is required, please state Statue and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?** None

**What products are subject to the diversion requirement?** None.

#### **Diversion Requirements**

**What party should apply for the refund is applicable? (Supplier, customer, etc)**

If diverted by a licensee, the licensee shall perfect the exemption by filing an export refund application with the department within three (3) years after the diversion.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**  
Yes.

**If not required, do you allow the Supplier/Distributor to rebill or a credit for the diverted load?**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.26/gallon	B100 is taxable	Subject to UST tax	E100 is not taxable	\$0.18/gallon if blended with gasoline	Subject to UST tax if blended with gasoline

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$0.26/gallon.	Ethanol as a blendstock is not taxable, once blended with Gasoline it is subject to \$.18/gallon.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>		
<b>E85</b>	.18 cents per gallon	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>		
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>		
<b>LPG (Liquefied Petroleum Gas)</b>		
<b>Methanol or “M85”</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
Ethanol		Yes
Toluline		Yes
Methanol		Yes

**Section 16-How does your state handle contaminated fuel?**

Contaminated fuel is exempt as per Arizona Revised Statute 28-5610.

**Section 17-Does your state allow bad debt credits?**

No.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Fuel Supplier Report	27 <sup>th</sup> each month	27 <sup>th</sup> each month
Restricted Distributor Report	27 <sup>th</sup> each month	N/A

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

N/A - electronic filing is required.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Fuel Supplier Report and Restricted Distributor Report mandated to be filed electronically. Due by 4:59 PM Arizona time on due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day.

**Section 22-What is your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Fuel Supplier Report - Excise	\$25 late fee	5% of tax due penalty, 1% per month or portion of a month interest
Fuel Supplier Report - UST	\$25 late fee	5% of tax due penalty, 1% per month or portion of a month interest
Restricted Distributor – Excise	N/A	N/A
Restricted Distributor – UST	N/A	N/A

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Same as gasoline – taxed at rate of 18 cents per gallon.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

If an entity owned the fuel cargo for even one second, they must report and they must show the Arizona taxes in invoicing. See ARS 28-5925(B).

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Yes. Five business days before the date on which the tax is required to be remitted to the State. See ARS 28-5637.



**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

The deferral is for excise tax only.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

ADOT only Administers the Arizona Fuel Excise Tax. Please contact Arizona Department of Revenue for questions about sales tax.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

The Arizona supplier license requires the licensee to post a surety bond in an amount equal to or greater than the highest monthly tax liability in the last twelve months, multiplied by two. Statutory minimum bond is \$5,000. Statutory maximum bond is \$5,000,000.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1, 2, 3, 5, 6, 8, 10
Permissive Supplier	X	1, 2, 3, 5, 6, 8, 10

Supplier with blanket Election	X	1, 2, 3, 5, 6, 8, 10
Restricted Distributor		2, 3, 6
Vendor		4

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-Does your state require pre-collection election?**

Only if the supplier is licensed as a permissive supplier or supplier with blanket election.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended reported are required to be submitted electronically. Suppliers are required to submit the entire report with amending the information that is changing.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes

**Section 35-How many days are allowed to report late loads?**

Tax due late loads are subject to 5% penalty and 1% Interest per month or portion of a month until paid, except as provided in ARS 28-5621 (A).

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Per Arizona Revised Statute 28-5624(B), shipping documentation shall include 1) the date of shipment of the fuel, 2) the quantity and particular description of the fuel, 3) the names of the consignor and consignee, 4) the destination of the fuel shipment, 5) other information as the director requires.

Per Arizona Revised Statute 28-5925(B), the supplier and each reseller shall list the amount of tax as a separate line item on all invoices or billing or as a separate billing.

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

Arizona Revised Statute 28-5610 – Exemptions

Arizona Revised Statute 28-5610(D) Except as provided in subsection E and F of this section, a person who claims an exemption pursuant to this section shall perfect the exemption by claiming a refund pursuant to section 28-5612.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Per Arizona Revised Statute 28-5618(C), a supplier may amend a report filed pursuant to this section within three years after the date the original tax report was filed unless the report for the period is final due to an audit.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Per Arizona Administrative Code – Title 17 Chapter 8

Refund Type	Claimant Status	
Sections	Licensee	Non-Licensee
R17-8-602. Exports	3 years from date of export	3 months from date of export
R17-8-603. Use Fuel Vendors	3 years from date of sale	6 months from date of sale
R17-8-604. Off-Highway	3 years from date of purchase	6 months from date of purchase
R17-8-606. Tribal Govt	If no Tribal Agreement with the Department, 6 months from the date of purchase	
R17-8-607. Tribal Member		
R17-8-608. Transport of Forest Products, Healthy Forest Initiative	March 1 <sup>st</sup> of the year following calendar year consumed	
R17-8-609. Motor Fuel Used in Aircraft	6 months from date of purchase	
R17-8-610. Motor Fuel Losses Caused by Fire, Theft, Accident, or Contamination	3 years from date of event	6 months from date of event
R17-8-611. Bulk Purchase of Use Fuel	3 years	6 months

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both, depending on the reason for refund.

**Section 41- Does your state accept electronic BOLs?**

Yes.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

BOL date or the date of import.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Tax returns and templates for suppliers (E-120) and restricted distributors (E-140) are available on ADOT's website.

<https://azdot.gov/mvd/services/professional-services/fuel-tax-information/notices-updates-and-reports>

# STATE OF ARKANSAS

## **Section 1-Contact Information**

**Agency:** Department of Finance and Administration- Motor Fuel Tax

**Name:** Rodney Richard

**Street Address:** P O Box 1752

**City, State Zip Code:** Little Rock, AR 72203

**Phone Number:** 501-682-4800

**Fax Number:** 501-682-5599

**E-mail Address:** [Rodney.Richard@dfa.arkansas.gov](mailto:Rodney.Richard@dfa.arkansas.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Motor Fuel Tax Law: Arkansas Code § 26-55-201 et seq. Special

Motor Fuels Taxes: Arkansas Code § 26-56-201 et seq.

Petroleum Environmental Assurance Fee (PEF): Arkansas Code § 8-7-906

Alternative Fuel Tax Law: Arkansas Code § 26-62-201 et seq.

## **Section 3-State Point of Taxation**

**Gasoline:** First Receiver Below the Rack

**Diesel:** First Receiver Below the Rack **CNG:**

First Receiver

**LNG:** First Receiver

**Aviation Fuel:** Final Consumer- subject to Arkansas Sales and Use Tax not Motor Fuel Tax

**Jet Fuel:** Final Consumer- subject to Arkansas Sales and Use Tax not Motor Fuel Tax

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: means a supplier who purchases fuel from a pipeline importer or who imports fuel into the state by motor vehicle tank truck.

Point of Taxation: Tax is levied when the product is removed from a qualified terminal within the state for delivery to a location within state or when imported into the state for delivery to a bulk storage location within the state. The licensed First Receiver is responsible for collecting and reporting the taxes.

**Section 5-State Tax Rates**

**Gasoline:** .247 per gallon

**Diesel:** .285 per gallon

**Dyed Diesel:** .06 per gallon

**Biodiesel (except B100):** .285 per gallon

**CNG:** .05 per gallon

**LNG:** .05 per gallon

**Petroleum Environmental Assurance Fee (PEF):** .003 per gallon

**Aviation Fuel:** 6.5% State Sales and Use Tax plus local sales and use tax based on point of delivery

**Jet Fuel:** 6.5% State Sales and Use Tax plus local sales and use tax based on point of delivery

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Fuels subjected to the Arkansas Motor Fuel or Dyed Diesel tax are calculated on the net gallons.  
Reference: Arkansas Motor Fuel Schedules and XML Developer Guide  
([www.arkansas.gov/motorfuel](http://www.arkansas.gov/motorfuel))

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

8-7-906. Petroleum environmental assurance fee.

The maximum rate for the fee shall be at a rate of three-tenths of one cent (0.3¢) or .003 for per each gallon of fuel.

The fee shall be paid by the first distributor or supplier receiving fuel from a terminal in this state, or, if the fuel will never be stored in a terminal in this state, then by the distributor or supplier who first imports fuel into this state by tank truck

### **Section 7-Rate Updates**

**Please list any rate updates for your state**

N/A

### **Section 8-State Collection Allowance**

N/A

### **Section 9-State Diversion Requirements**

**Diversion Required:** No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

n/a

**What diversion registry program do you use?**

n/a

**What products are subject to the diversion requirement?**

n/a

**Diversion Requirements**

n/a

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

The refund can only be paid to the party remitting tax to the state, which the supplier or distributor.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

**State Incentives**

**Alternative Fuel Grants**

All grants issued through the Department of Energy Office for the State of Arkansas

### **Idle Reduction Technology Loans**

The Arkansas Department of Environmental Quality has a small business loan program that provides low-interest loans to Arkansas small businesses to institute pollution control measures required by law to reduce the amount of pollution businesses produce. Idle reduction technologies for heavy-duty trucking applications are eligible for this loan. The maximum loan amount is \$45,000, with a \$65,000 lifetime maximum for any specific business. An eligible business must employ 100 individuals or less and demonstrate proof of profitability and the ability to repay the loan.

### **State Laws and Regulations**

#### **Alternative Fuels Tax**

Excise taxes on alternative fuels are imposed on a gasoline gallon equivalent basis. The tax rate for each type of alternative fuel is based on the number of motor vehicles licensed in the state that use each fuel type. (Reference [Arkansas Code](#) 26-62-201)

#### **Natural Gas Metering**

No user, including an alternative fuel supplier of natural gas fuels, who utilizes natural gas for residential or other tax-free purposes, is permitted to use natural gas fuels in motor vehicles unless the natural gas fuels are removed through a separate meter installed by the alternative fuels supplier for such purposes. (Reference [Arkansas Code](#) 26-62-203)

#### **Liquefied Petroleum Gas (LPG) Tax**

LPG as a motor fuel is taxed on a per vehicle basis through a yearly flat-fee special fuel user's permit. The amount of the fee is based on type of vehicle and the vehicle's Gross Vehicle Weight Rating. (Reference [Arkansas Code](#) 26-56-301 and 26-56-304)

#### **Alternative Fuel Vehicle (AFV) Conversion**

Any individual or company who converts an AFV to operate on an alternative fuel must report the conversion to the Director of the Department of Finance and Administration within 10 days of the conversion. An owner or operator who fails to report such a conversion may be subject to a penalty. (Reference [Arkansas Code](#) 26-62-214)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
Not taxable	Not taxable	Not taxable	\$0.247/gallon	Ethanol is taxable	Subject to the Environmental Fee (.003 per gallon)



**Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is not taxable. Any other blends such as B99 are taxed like clear diesel fuel. The tax rate is \$0.285/gallon for clear and \$0.06/gallon for dyed.	Treated like gasoline. The current tax rate is \$0.247/gallon.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	<b>Yes</b>	<b>126.67 c.f. equal 1 gallon</b>
<b>E85</b>	<b>Yes</b>	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	<b>No</b>	
<b>Gasoline Hybrid Vehicles</b>	<b>Yes</b>	<b>Not Applicable</b>
<b>Hydrogen</b>	<b>Yes</b>	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	<b>Yes</b>	<b>5.66 lbs.</b>
<b>LPG (Liquefied Petroleum Gas)</b>	<b>Yes</b>	<b>Not Applicable</b>
<b>Methanol or “M85”</b>	<b>Yes</b>	<b>Not Applicable</b>
<b>Other</b>	<b>None</b>	<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

N/A

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>

**Section 16-Does your state handle contaminated fuel?**

No

**Section 17-Does your state allow bad debt credits?**

No

**Section 18- Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Motor Fuel Tax Return	25 <sup>th</sup> of following month	25 <sup>th</sup> of following month
Natural Gas Fuel	25 <sup>th</sup> of following month	25 <sup>th</sup> of following month
Dyed Diesel Tax	20 <sup>th</sup> of following month	20 <sup>th</sup> of following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Yes

**Section 20-When filing a return electronically, what time is considered timely?**

By 11:59 p.m. of the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day following the weekend of holiday

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

5 percent per month with a maximum of 35 percent

Name of Report	Report Penalties	Payment Penalties
Same as above		

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Is treated the same as gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

The first licensed distributor/supplier is responsible for reporting and paying the tax for the fuel on their monthly gasoline or special fuel tax return.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Each licensed distributor and supplier are required to hold a surety bond of no less than one and a half (1½) times the prior six months' average of fuel tax due. Estimated gallons may be used in lieu of six-month average.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1,2,3
Distributor	X	1,2,3

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32-Does you state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

All amended returns are required to be filed electronically. We do not accept any paper returns. Our state requires the resubmission of the entire return including changes in order to replace the current return on file via our Arkansas Taxpayer Access Point (ATAP) system.

**Section 34-Which states allow credit and rebills?**

No.

**Section 35-How many days are allowed to report late loads?**

N/A

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Under Arkansas Code 26-55-606, the following information is required on a bill of lading:

- (1) The seller's or the purchaser's supplier or distributor license number;
- (2) The origin of the transport trip;
- (3) The approximate destination or destinations of the transport trip;
- (4) The type or types of fuels being transported and quantity or quantities of fuels to be delivered to each destination;
- (5) The person or persons responsible for the payment of the fuels tax; and
- (6) Such other information or forms as the Director of State Highways and Transportation by rule may adopt or require to implement the intent of this subchapter.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

The sale of motor fuel to the United States Government is exempt in Arkansas. (Reference [Arkansas Code 26-55-207 \(3\)](#))

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Under Arkansas Code 26-18-306 (i), the statute of limitations for filing an amended return is three (3) years from the time the return was filed.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Under Arkansas Code 26-18-306 (i), the statute of limitations for applying for a refund is three (3) years from the date that the return is filed or two years from the date the tax was paid, whichever period expires later.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both

**Section 41- Does your state accept electronic BOLs?**

We accept electronic BOLs in PDF format.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Our system requires the BOL number along with received/shipped date for all reported loads of fuel.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

For informational purposes, you can view our tax forms and schedules on our website at [www.arkansas.gov/motorfuel](http://www.arkansas.gov/motorfuel) under Tax Forms. Also, the Motor Fuel Tax XML Developer Guide, Schema, and XML Upload Instructions are available on our website under XML.

# STATE OF CALIFORNIA

## **Section 1-Contact Information**

**Department:** California Department of Tax and Free Administration (CDTFA)

**Name:** Brian Kimsey / Damian Armitage/ Dolores Rodriguez

**Street Address:** 651 Bannon Street, Suite 100

**City, State, Zip Code;** Sacramento, CA 95811-0299

**Phone Number:** 916.309.0401/ 916.309.0277 / 916.309.0387

**E-mail Address:** [brian.kimsey@cdtfa.ca.gov](mailto:brian.kimsey@cdtfa.ca.gov) [mailto:/ damian.armitage@cdtfa.ca.gov](mailto:mailto:damian.armitage@cdtfa.ca.gov)  
/ [dolores.rodriguez@cdtfa.ca.gov](mailto:dolores.rodriguez@cdtfa.ca.gov)

## **Section 2-Statutes and Rules**

### **Please give reference to your Statutes and Rules:**

*Note:* CDTFA (the department) is the successor to, and is vested with, all the duties, powers, and responsibilities of the Board of Equalization (board). All laws prescribing the duties, powers, and responsibilities of the board to which the department succeeds, together with all lawful rules and regulations established under those laws, are expressly continued in force, including, but not limited to, existing processes and remedies available to a taxpayer or feepayer such as settlement options and appeals processes.

#### **Gasoline:**

Motor Vehicle Fuel Tax Law, Part 2, Division 2, Revenue and Taxation Code (R&T Code), Sections 7301 – 8526.

Regulations: Title 18, California Code of Regulations, Division 2, Chapter 1.

#### **Diesel:**

Diesel Fuel Tax Law, Part 31, Division 2, Revenue and Taxation Code (R&T Code), Sections 60001 – 60709.

Regulations: Title 18, California Code of Regulations, Division 2, Chapter 3.

#### **Aviation Fuel:**

Motor Vehicle Fuel Tax Law, Part 2, Division 2, Revenue and Taxation Code (R&T Code), Sections 7301 – 8526.

Regulations: Title 18, California Code of Regulations, Division 2, Chapter 1.

#### **Jet Fuel:**

Motor Vehicle Fuel Tax Law, Part 2, Division 2, Chapter 2.5, Aircraft Jet Fuel Tax, Revenue and Taxation Code (R&T Code), Sections 7385 – 7398.

Regulations: Title 18, California Code of Regulations, Division 2, Chapter 1

**Alternative Fuels:**

Use Fuel Tax Law, Part 3, Division 2, Revenue and Taxation Code (R&T Code), Sections 8601 – 9433.

Regulations: Title 18, California Code of Regulations, Division 2, Chapter 2.

**Section 3-State Point of Taxation**

**Gasoline:**

**Motor Vehicle Fuel Tax Law, R&T Code Section 7362 “Rack Removal”**

The tax is imposed on the removal of motor vehicle fuel in California from a terminal if the motor vehicle fuel is removed from the rack.

**R&T Code Section 7363 “Other”**

The tax is also imposed on all of the following:

- (a) The removal of motor vehicle fuel from a refinery if the removal is by bulk transfer and the refiner or the owner of the motor vehicle fuel immediately before the removal is not a licensed supplier, or if the removal is at the refinery rack.
- (b) The entry of motor vehicle fuel into California for sale, consumption, use, or warehousing if either of the following applies:
  - 1) The entry is by bulk transfer and the enterer is not a licensed supplier.
  - 2) The entry is not by bulk transfer.
- (c) The removal or sale of motor vehicle fuel in California to an unlicensed person unless there was a prior taxable removal, entry, or sale of the motor vehicle fuel.
- (d) The removal or sale of blended motor vehicle fuel in California by the blender thereof. The number of gallons of blended motor vehicle fuel subject to tax is the difference between the total number of gallons of blended motor vehicle fuel removed or sold and the number of gallons of previously taxed motor vehicle fuel used to produce the blended motor vehicle fuel.

**R&T Code Section 7364 “Backup tax”**

A "backup tax" is imposed:

- (a) on the delivery into the fuel tank of a motor vehicle fuel-powered highway vehicle of:
  - (1) Any motor vehicle fuel on which a claim for refund has been allowed; or
  - (2) any liquid on which tax has not been imposed by this part, Part 3 (commencing with section 8601, Use Fuel Tax Law), or Part 31 (commencing with Section 60001, Diesel Fuel Tax Law).

**Diesel Fuel:**

**Diesel Fuel Tax Law, R&T Code Section 60051 “Rack Removal”**



The tax is imposed on the removal of diesel fuel in California from a terminal if the diesel fuel is removed from the rack.

**R&T Code Section 60052 “Other”**

The tax is also imposed on all of the following:

- (a) The removal of diesel fuel in California from a refinery if the removal is by bulk transfer and the refiner or the owner of the diesel fuel immediately before the removal is not a diesel fuel registrant, or if the removal is at the refinery rack.
- (b) The entry of diesel fuel into California for sale, consumption, use, or warehousing if either of the following applies:
  - 1) The entry is by bulk transfer and the enterer is not a diesel fuel registrant.
  - 2) The entry is not by bulk transfer.
- (c) The removal or sale of diesel fuel in California to an unregistered person unless there was a prior taxable removal, entry, or sale of the diesel fuel.
- (d) The removal or sale of blended diesel fuel in California by the blender thereof. The number of gallons of blended diesel fuel subject to tax is the difference between the total number of gallons of blended diesel fuel removed or sold and the number of gallons of previously taxed diesel fuel used to produce the blended diesel fuel.

**R&T Code Section 60058 “Backup tax”**

A “backup tax” is imposed:

- (a) On the delivery into the fuel tank of a diesel fuel-powered highway vehicle of:
  - (1) Any diesel fuel that contains dye.
  - (2) Any diesel fuel on which a claim for refund has been allowed
  - (3) Any liquid on which tax has not been imposed by this part, Part 2 (commencing with section 7301, Motor Vehicle Fuel Tax Law), or Part 3 (commencing with Section 8601, Use Fuel Tax Law).
- (b) On the sale of any diesel fuel on which a claim for refund has been allowed.
- (c) On the sale and delivery into the fuel tank of a diesel-powered highway vehicle of any diesel fuel that contains a dye or any liquid on which tax has not been imposed by this part, Part 2 (commencing with Section 7301), or Part 3 commencing with Section 8601).

**R&T Code Section 60116 “Interstate user component b rate”**

Commencing on July 1, 2013, and on each July 1 thereafter, the board (CDTFA) shall establish a tax rate per gallon, rounded to the nearest one-tenth of one cent (\$0.001), by multiplying the average retail price per gallon (including the federal excise tax and excluding the state excise tax and the sales and use tax) of diesel fuel sold in this state by a percentage equal to the combined state and local sales tax rate established by Part 1 (commencing with Section 6001) and Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code and Section 35 of Article XIII of the California Constitution. The average retail price per gallon shall be the average of weekly retail prices for the 12-month period ending on the last day of January prior to

the effective date of the new rate. In determining the average retail price per gallon, the board (CDTFA) shall use the weekly average retail price as reported by the United States Energy Information Administration (EIA). In the event the EIA information is delayed or discontinued, the board (CDTFA) may base its determination on other sources of the average retail price of diesel fuel. The board (CDTFA) shall make its determination of the rate no later than March 1 of the same year as the effective date of the new rate.

**Aviation Fuel:**

See Motor Vehicle Fuel above.

**Jet Fuel:**

**Motor Vehicle Fuel Tax Law, R&T Code Section 7392 "Rate of Tax"**

The tax is imposed upon every aircraft jet fuel dealer at the rate of two cents (\$0.02) for each gallon the aircraft jet fuel sold to an aircraft jet fuel user or used by the dealer as an aircraft jet fuel user. An aircraft jet fuel user means any person who uses aircraft jet fuel for the propulsion of an aircraft in California except the following:

- (a) A common carrier by air engaged in the business of transporting persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the authority of the laws of California, of the United States or of any foreign government.
- (b) A person engaged in the business of constructing or reconstructing by manufacture or assembly of completed aircraft, or modifying, overhauling, repairing, maintaining, or servicing aircraft.
- (c) The armed forces of the United States.

**Alternative Fuel:**

**Use Fuel Tax Law, R&T Code Section 8651 "Levy of tax"**

An excise tax is imposed on the use of fuel. Per R & T Code Section 8604, fuel includes any combustible gas or liquid, by whatever name the gas or liquid may be known or sold, of a kind used in an internal combustion engine for the generation of power to propel a motor vehicle on the highways, except fuel that is subject to the tax imposed by Part 2 (commencing with R & T Code Section 7301, MVF) or Part 31 (Commencing with R & T Code Section 60001, diesel fuel)

**Section 4-Please define “First Receiver” and “Point of Taxation” and site your statutory reference regarding point of taxation.**

First Receiver-: Not applicable

Point of Taxation: This is covered in [Section 3](#) above.

## **Section 5-State Tax Rates**

**R&T Code section 7360**: As of July 1, 2024, the rate is \$0.596 per gallon.

### **Diesel**

**R&T Code section 60050**: As of July 1, 2024, the rate is \$0.454 per gallon.

### **Interstate User (IFTA)**

**R&T Code section 60116**: As of July 1, 2024, the rate is \$1.023 per gallon. Rate consists of the diesel fuel excise tax rate plus the “component b” rate.

### **Aviation Fuel**

**R&T Code Section 7360**: As of July 1, 2024, the rate is \$0.186 per gallon.

### **Jet Fuel**

**R&T Code Section 7392**: As of December 1, 1969, the rate is \$0.02 per gallon

### **Alternative Fuel**

**R&T Code section 8651**: As of January 1, 1994, the rate is \$0.18 per gallon.

**R&T Code section 8651.4**: As of July 1, 2021, the rate is \$0.06 per each gallon of dimethyl ether-liquefied petroleum gas fuel blend used.

**R&T Code section 8651.5**: As of January 1, 1966, the rate is \$0.06 per each gallon of liquefied petroleum gas used.

**R&T Code section 8651.6**: As of January 1, 2015, the rate is \$0.0887 for each 126.67 cubic feet or 5.66 pounds, of compressed natural gas used, measured at standard pressure and temperature.

**R&T Code section 8651.6**: As of January 1, 2015, the rate is \$0.1017 for each 6.06 pounds of liquid natural gas used.

**R&T Code section 8651.8**: As of January 1, 1994, the rate is \$0.09 per gallon of ethanol or methanol containing not more than 15 percent gasoline or diesel fuel. The rate is one-half the rate prescribed by R&T Code section 8651 for each gallon of fuel used.

**R&T Code section 8651.9**: As of July 1, 2021, the rate is \$0.06 per each gallon of dimethyl ether used.

The excise tax imposed on compressed natural gas (CNG), liquid natural gas (LNG), liquefied petroleum gas (LPG), and as of July 1, 2021, dimethyl ether (DME), and DME-LPG blends, as vehicle fuels can be paid through an annual flat-fee rate sticker tax based on the following gross vehicle weight rating:

<b>Unladen Weight</b>	<b>Fee</b>
All passenger cars and other vehicles 4,000 pounds (lbs.) or less	\$36
More than 4,000 lbs. but less than 8,001 lbs.	\$72
More than 8,000 lbs. but less than 12,001 lbs.	\$120
12,001 lbs. or more	\$168

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Definition of Gallon -

[Diesel Fuel Tax Law – Sec. 60025](#)

[Motor Vehicle Fuel Tax Law - Sec. 7315](#)

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

[Health and Safety Code \(HSC\) section 25299.41](#): The underground storage tank (UST) maintenance fee is applicable to each gallon of petroleum placed in a UST and is due from the owner of the UST. Current fee rate is two cents (\$0.020) per gallon [HSC section 25299.41](#) and [HSC section 25299.43](#).

[Government Code section 8670.40](#): The oil spill prevention and administration fee is imposed on:

- All crude oil and renewable fuel\* received at a marine terminal.
- Petroleum products received at a marine terminal from outside California.
- All crude oil, petroleum products, and renewable fuel\* received at a refinery within California.
- Renewable fuel received at a renewable fuel receiving facility\* from outside the state.
- Renewable fuel shipped from a renewable fuel production facility\*.

Current fee rate is \$0.094 cents per barrel of crude oil, petroleum products, and renewable fuel [Government Code section 8670.40](#).

\*Beginning January 1, 2022, the OSPA Fee Program expanded to include all renewable fuels and added new registration requirements for renewable fuel production facilities and renewable fuel receiving facilities.

**Section 7-Rate Updates**

**Please list any rate updates for your state:**

**Motor Vehicle Fuel**

[R&T Code section 7360](#): Effective July 1, 2020, rate is adjusted annually each July 1 for the change in California CPI. Effective July 1, 2024, rate increased to 59.6 cents (\$0.596) per gallon.

[R&T Code section 7360\(a\)](#): Effective July 1, 2024, rate is adjusted annually each July 1 for the change in California CPI. Effective July 1, 2024, rate increased to 18.6 cents (\$0.186) per gallon.

### **Diesel Fuel**

**R&T Code section 60050**: Effective July 1, 2020, rate is adjusted annually each July 1 for the change in California CPI. Effective July 1, 2024, rate increased to 45.4 cents (\$0.454) per gallon.

### **Interstate User (IFTA)**

**R&T Code section 60116**: Effective July 1, 2013, rate is adjusted annually each July 1. Rate consists of the diesel fuel excise tax rate plus the “component b” rate. As of July 1, 2024, the rate is 1.023 dollars per gallon. The new component b rate for the period of July 1, 2024 through June 30, 2025 is 56.9 cents (\$0.569).

## **Section 8-State Collection Allowance**

None

## **Section 9-State Diversion Requirements**

### **Diversion Required: No**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?** Not applicable.

**What products are subject to the diversion requirement?** Not applicable.

**Diversion Requirements?** Not applicable.

### **What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Customer must request refund if applicable.

### **Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

We recommend the supplier rebill the transaction if tax is now due.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** Yes. We bill the position holder as not having a valid export, and they are allowed to rebill their customer for the tax.

### **Any Additional Comments?**

## **Section 10–Alternative Fuels Incentives and Laws**

Excise taxes on ethanol and methanol containing not more than 15% gasoline or diesel fuel are reduced to \$0.09 per gallon per R&T Code sections 8651 to 8651.8.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.410/gallon	B100 is diesel fuel and is taxed under the Diesel Fuel Tax Law	Sales Tax	\$0.09/gallon as long as not more than 15% gasoline is blended with ethanol.	Ethanol containing not more than 15% gasoline is taxable as a "Use Fuel" at \$0.09 per gallon under the Use Fuel Tax Law. Ethanol containing more than 15% gasoline is taxed under the MVF Tax Law at the current tax rate.	Sales Tax.

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 or any blend is considered a diesel fuel and is taxed as diesel fuel. The tax is paid by the importer upon entry into California.	Licensing depends on the role in the distribution system. If importing 100% ethanol then no license is required. See Section 4 – " <i>Alternative Fuel</i> " for the application of the tax.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	(1)	Rate per 126.67 cubic feet or 5.66 pounds
<b>E85</b>	(1)	Not Applicable
<b>Electric Vehicles/Electricity</b>	Not Taxed	Not Applicable
<b>Gasoline Hybrid Vehicles</b>	(2)	Not Applicable
<b>Hydrogen</b>	(3)	Not Applicable
<b>LNG (Liquid Natural Gas)</b>	(1)	Rate per 6.06 pounds
<b>LPG (Liquefied Petroleum Gas)</b>	(1)	Not Applicable
<b>Methanol or “M85”</b>	(1)	Not Applicable
<b>Other</b>	(1)	Not Applicable

- (1) See **Alternative Fuels** above.
- (2) Gasoline consumed in hybrid vehicle is taxed at current MVF rate.
- (3) Hydrogen fuel cell technology is not subject to excise tax currently.

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock<sup>(1)</sup></b>	<b>Tax Rate</b>	<b>Reportable</b>
Alkylate (122)	MVF Rate	
Butane & Isobutane (055)	MVF Rate	
Butene (122)	MVF Rate	
Catalytically cracked gasoline (122)	MVF Rate	
Coker gasoline (122)	MVF Rate	
Ethyl tertiary butyl ether (249 – ETBE)	MVF Rate	
Hexane (122)	MVF Rate	
Hydrocrackate (122)	MVF Rate	

Isomerase (122)	MVF Rate	
Light naphtha (126)	MVF Rate	
Methyl tertiary butyl ether (093 – MTBE)	MVF Rate	
Mixed xylene (076 - not including any separated isomer of xylene)	MVF Rate	
Naphtha (126)	MVF Rate	
Natural gasoline (061)	MVF Rate	
Pentane (059)	MVF Rate	
Pentane mixture (059)	MVF Rate	
Polymer gasoline (122)	MVF Rate	
Raffinate (223)	MVF Rate	
Reformate (071)	MVF Rate	
Straight-run gasoline (065)	MVF Rate	
Straight-run naphtha (126)	MVF Rate	
Tertiary amyl methyl ether (121 – TAME)	MVF Rate	
Tertiary butyl alcohol (gasoline grade) (TBA) (122)	MVF Rate	
Thermally cracked gasoline (122)	MVF Rate	
Toluene (199)	MVF Rate	
Transmix containing gasoline (100)	MVF Rate	

- (1) Applicable product code is provided with the type of blendstock. Gasoline blendstocks are defined in [Motor Vehicle Fuel Tax Regulation 1101](#), *Motor Vehicle Fuel*, and are taxable as motor vehicle fuel. Any other product that is blended with either gasoline or undyed diesel fuel for use in a motor vehicle on the highway, is taxable at the same rate as the gasoline and diesel fuel. A complete list of California's taxable and reportable product codes is available at: <http://www.cdtfa.ca.gov/formspubs/cdtfa810ftb.pdf>.

### **Section 16-How does your state handle contaminated fuel?**

There is an allowance for tax-paid diesel fuel lost through the accidental conversion of undyed diesel fuel to dyed diesel fuel or tax-paid diesel fuel lost through the intentional conversion of undyed diesel fuel to dyed diesel fuel in the ordinary course of handling (such as purging hoses) that may be claimed as a credit or refund. There are no such allowances for motor vehicle fuel (gas) or alternative fuels (alcohol fuels, CNG, LPG, LNG, DME, DME-LPG blends, kerosene).

### **Section 17-Does your state allow bad debt credits?**

Motor Vehicle Fuel – No  
 Diesel Fuel - Yes  
 Alternative Fuel - Yes



**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Supplier of Motor Vehicle Fuel Tax Return, CDTFA-501-PS	Last day of the month following the monthly period to which it relates	Same as report's due date
Train Operator Information Report, CDTFA-506-PT	Same	N/A
Terminal Operator Information Report, CDTFA-506-PO	Same	N/A
Petroleum Carrier Report, CDTFA-506-PC	Same	N/A
Aircraft Dealer Jet Fuel Tax Return, CDTFA-501-MJ	Same	Same as report's due date
Supplier of Diesel Fuel Tax Return, CDTFA-501-DD	Same	Same
Exempt Bus Operator Diesel Fuel Tax Return, CDTFA-501-DB	Same	Same
Government Entity Diesel Fuel Tax Return, CDTFA-501-DG	Same	Same
Diesel Fuel Claim for refund on Nontaxable Uses, CDTFA-770-DU	N/A	N/A
Diesel Fuel Ultimate Vendor Report/Claim for Refund, CDTFA-	N/A	N/A
Diesel Fuel Tax Claim for Refund – Sales to Ultimate Purchasers,	N/A	N/A

Claim for Refund on Nontaxable Sales of Exports of Diesel Fuel,	N/A	N/A
Exempt Bus Operator Use Fuel Tax Return, CDTFA-501-AB	Last day of the month following the quarterly period in which the taxable use of the fuel occurs	Same as report's due date
User Use Fuel Tax Return, CDTFA-501-AU	Same	Same
Vendor Use Fuel Tax Return, CDTFA-501-AV	Same	Same
Interstate User Diesel Fuel Tax Return, CDTFA-501-DI	Last day of the month following the monthly period to which it relates	Same
IFTA Quarterly Fuel Use Tax Report	Last day of the month following the quarterly period to which it relates	Same

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked date

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11:59 pm on due date

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Postmarked by the end of the next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Supplier of Motor Vehicle Fuel Tax Return, CDTFA-501-PS	10% failure to file, section 7655(b) 10% failure to file when paying by EFT, section 7659.9(d)	10% failure to pay, section 7655(a) 10% failure to pay by EFT, section 7659.9(e)(f)

Aircraft Dealer Jet Fuel Tax Return, CDTFA-501-MJ	10% failure to file, section 7655(b) 10% failure to file when paying by EFT, section 7659.9(d)	10% failure to pay, section 7655(a) 10% failure to pay by EFT, section 7659.9(e)(f)
Supplier of Diesel Fuel Tax Return, CDTFA-501-DD	10% failure to file, section 60207(b) 10% failure to file when paying by EFT, section 60250(d)	10% failure to pay, section 60207(a) 10% failure to pay by EFT, section 60250(e)(f)
Exempt Bus Operator Diesel Fuel Tax Return, CDTFA-501-DB	10% failure to file, section 60207(b) 10% failure to file when paying by EFT, section 60250(d)	10% failure to pay, section 60207(a) 10% failure to pay by EFT, section 60250(e)(f)
Government Entity Diesel Fuel Tax Return, CDTFA-501-DG	10% failure to file, section 60207(b) 10% failure to file when paying by EFT, section 60250(d)	10% failure to pay, section 60207(a) 10% failure to pay by EFT, section 60250(e)(f)
Exempt Bus Operator Use Fuel Tax Return, CDTFA-501-AB	10% failure to file, section 60207(b) 10% failure to file when paying by EFT, section 60250(d)	10% failure to pay, section 60207(a) 10% failure to pay by EFT, section 60250(e)(f)
User Use Fuel Tax Return, CDTFA-501-AU	10% failure to file, section 8876(b) 10% failure to file when paying by EFT, section 8760(d)	10% failure to file, section 8876(a) 10% failure to pay by EFT, section 8760(e)(f)
Vendor Use Fuel Tax Return, CDTFA-501-AV	10% failure to file, section 8876(b) 10% failure to file when paying by EFT, section 8760(d)	10% failure to file, section 8876(a) 10% failure to pay by EFT, section 8760(e)(f)
Interstate User Diesel Fuel Tax Return, CDTFA-501-DI	10% failure to file, section 60207(b) 10% failure to file when paying by EFT, section	10% failure to pay, section 60207(a) 10% failure to pay by EFT, section 60250(e)(f)
IFTA Quarterly Fuel Use Tax Report	A penalty of \$50 or 10% of delinquent taxes, whichever is greater is imposed for failure to file	A penalty of \$50 or 10% of delinquent taxes, whichever is greater for underpayment of the taxes

The penalties imposed are limited to a maximum of 10% of the tax for which the return is required.

### **Section 23-How is E85 treated in your state?**

E85 is taxed at half the rate established in [R&T Code Section 8651](#).

### **What blends are considered to be reported as E85?**

[R&T Code section 8651.8](#): Ethanol containing not more than 15% gasoline or

diesel fuel.

**What percentage range is considered E85?**

Ethanol containing not more than 15% gasoline or diesel fuel. The denaturant is not counted towards the 15% threshold.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

- **Vessel/barge/pipeline/train operators** file a CDTFA-501-PC, Petroleum Carrier Report – report receipts and deliveries of liquid petroleum product for product movements originating and/or terminating in California.
- **Train Operators** file CDTFA-506-PT, Train Operator Information Report – report all exempt purchases of undyed diesel fuel, dyed diesel fuel, and motor vehicle fuel for use in California.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

- The position holder is the supplier responsible for reporting terminal rack removals and paying any applicable excise tax, not the transferee.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

There are no provisions in statute that allow for a deferral.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Not applicable.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

- Sales tax applies to sales of gasoline, clear diesel and dyed diesel. There is an additional sales tax amount on retail sales of diesel fuel. There is a partial sales tax exemption of the additional sales tax for diesel fuel that is sold for use in a manner that is exempt from the diesel fuel tax imposed by R & T Code section 6001 and not subject to the backup

tax imposed by R & T Code section 60058, or the government entity payment, and diesel fuel used in exempt bus operations. Motor vehicle fuel sales are exempt from the state-wide sales and use tax rate.

- The sales tax rates are set by the legislative process. Local municipalities and special taxing districts may also pass additional taxes that are added on to the statewide rate.
- Sales tax is calculated on the value of the MVF or diesel fuel sold.

### **Section 29-What are your bonding requirements for your motor fuel license(s)?**

- [R & T Code section 7486](#) (MVF): The CDTFA may require any person to deposit security as it may determine appropriate. The amount of the security shall be fixed by the CDTFA but shall not be more than three times the estimated average monthly tax liability of the person. The total amount of security shall not be in excess of one million dollars (\$1,000,000) where the person has established to the satisfaction of the CDTFA that this security, together with property to which the lien imposed by R&T Code Section 7872 attaches, is sufficient security to ensure payment of taxes equivalent to three times the estimated average monthly tax liability of the person.
- [R&T Code section 60401](#) (Diesel fuel): The CDTFA may require any person to deposit security as it may determine appropriate. The amount of the security shall be fixed by the CDTFA but shall not be more than three times the estimated average monthly tax liability of the person. The total amount of security shall not be in excess of one million dollars (\$1,000,000) where the person has established to the satisfaction of the CDTFA that this security, together with property to which the lien imposed by R&T Code section 60445 attaches, is sufficient security to ensure payment of taxes equivalent to three times the estimated average monthly tax liability of the person.

### **Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.** **(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

#### **Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10. Stores Fuel at IRS Terminal (ExStar Report)
- 11. Used on Highway

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier	X	1,2,5,8,10
Terminal Operator		7,10
Exempt Bus Operator	X	1
Governmental Entities	X	11
Ultimate Vendors		Refunds Only
Industrial User		
Carrier <sup>(1)</sup>		6
Qualified Highway Vehicle	X	11 (Backup Tax)
Train Operator <sup>(2)</sup>		

(1) Pipeline Operator, Train Operator and Vessel Operator

(2) Train Operators must report all exempt purchases of diesel fuel (dyed and undyed)

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Depending on the data issues involved, the CDTFA may require a complete resubmission/amended return with all the applicable data or just the supplemental data.

Taxpayers have the ability and discretion to file either. Amended electronic return file types are currently accepted on Flat File (FLT), Electronic Data Exchange (EDI), IRS EDI, Bulk EDI, and Bulk IRS EDI, depending on the applicable account type.

Please note: Our department highly encourages electronic return submissions. Currently, all amended returns are filed electronically, although we have the capacity to accept full resubmission/amendments via paper too. Supplemental amendments are not accepted via paper.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes.

### **Section 35-How many days are allowed to report late loads?**

Suppliers should report transactions for the period in which the transaction occurred. There is no specific timeframe in which a supplier may report late loads. However, late information should be reported within a reasonable amount of time after becoming aware of the late information.

### **Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

[Special Taxes Administration- Miscellaneous California Code of Regulations 4901](#), *Records*, applies to all California fuel tax programs and specifies the basic elements that generally would appear on shipping documents and invoices, as being required records relating to transactions that must be maintained.

Some statutes list specific requirements for invoice elements. Others state that records must be maintained as required by CDTFA, which is supported by Regulation 4901.

#### **Aircraft Jet Fuel:**

##### **Regulation 1177. Records of Aircraft Jet Fuel Dealer**

**(b) SPECIFIC APPLICATIONS.** In addition to the record keeping requirements set forth in subdivision (a), aircraft jet fuel dealers shall comply with the following requirements. Aircraft jet fuel dealers shall maintain the following:

(1) A complete record of all sales or other dispositions of jet fuel including fuel used by the aircraft jet fuel dealer.

(2) A record of inventories, purchases, and tank gaugings or meter readings of jet fuel.

(3) SALES INVOICES.

**(A)** The aircraft jet fuel dealer shall prepare a serially numbered paper or electronic invoice for each sale of jet fuel. A single invoice covering multiple deliveries of fuel to the same purchaser made during a period of time not to exceed a calendar month shall constitute an invoice for each sale.

**(B)** If a multiple delivery invoice includes both taxable and nontaxable sales, the invoice must show a segregation of the taxable and nontaxable gallonage sold.

**(C)** A copy of the invoice shall be delivered to the purchaser, and a copy retained by the aircraft jet fuel dealer.

**(D)** A sales invoice shall contain the following information:

1. The name and address of the aircraft jet fuel dealer,
2. The name of the purchaser,
3. The date of the sale,
4. The number of gallons sold, the price per gallon and the total amount of the sale, and
5. The amount of jet fuel tax, in the case of a taxable delivery. The tax need not be separately stated if the invoice bears the notation that the price includes tax.

#### **Alternative Fuels:**

**R&T Code section 8732**: A vendor is required to give the user a receipt in the manner and form prescribed by the CDTFA.

**R&T Code section 9253**: Every user and every person dealing in, transporting, or storing fuel in this state shall keep such records, receipts, invoices, and other pertinent papers with respect thereto in such form as the CDTFA may require.

**Regulation 1332. Records**

(b)(2) Vendor's Sales Invoices – The vendor shall prepare a serially numbered invoice for each sale of fuel whether the fuel is sold for use in motor vehicles or for other uses.

A sales invoice shall contain the following information:

(A) The name and address of the vendor.

(B) The date of sale.

(C) The number of gallons or units of fuel sold, the price per gallon or unit and the total amount of the sale.

(D) The amount of the use fuel tax collected, if delivery is into a fuel tank of a motor vehicle; however, the amount of the tax collected need not be separately stated if the invoice bears the notation that the price includes the tax.

(E) For single deliveries of less than 250 gallons or units, the type of receptacle, other than a fuel tank of a motor vehicle, into which the vendor delivered fuel without collecting the use fuel tax (e.g., storage tank, crawler tractor, drum, stationary generator). On machine-prepared invoices, reasonable code designations will be acceptable in lieu of such description.

The sales invoice shall upon payment by the purchaser constitute a receipt for the amount of use fuel tax included therein collected by the vendor.

(3) USER'S RECORDS. Users of fuel subject to the tax shall obtain from the vendor of the fuel and retain in their files an invoice for each delivery of such fuel into the fuel tank or tanks of each vehicle operated by them and for each delivery into their bulk storage tank or tanks. These invoices shall set forth the information specified in subsection (b)(2) of this regulation and shall be filed or identified in a systematic manner so that they may readily be traced into their purchase or expense records and into their returns to the Board (CDTFA).

**Diesel Fuel:**

**R&T Code section 60604. Records.** Every interstate user, supplier, exempt bus operator, government entity, ultimate vendor, qualified highway vehicle operator, highway vehicle operator/fueler, train operator, pipeline operator, vessel operator, and every person dealing in, removing, transporting, or storing diesel fuel in this state shall keep those records, receipts, invoices, and other pertinent papers with respect thereto in that form as the board (CDTFA) may require. Failure to maintain records will constitute a misdemeanor punishable as provided in Section 60706.

**R&T Code section 60605. Information to retain.** (a) Each terminal operator shall keep the



following information with respect to each rack removal of diesel fuel at each terminal it operates:

- (1) The bill of lading or other shipping document.
  - (2) The record of whether the diesel fuel was dyed in accordance with the United States Environmental Protection Agency or Internal Revenue Service requirements.
  - (3) The volume and date of the removal.
  - (4) The identity of the position holder or position holder's customer.
  - (5) The identity of the person, such as a common carrier, that physically received the fuel.
  - (6) Any other information required by the Internal Revenue Service pursuant to Section 48.4101-1 of Title 26 of the Code of Federal Regulations.
- (b) The terminal operator shall maintain the information described in this section at the terminal from which the removal occurred for at least three months after the removal to which it relates. Thereafter, the terminal operator shall retain the information at a location controlled by the terminal operator for at least four more years.

#### **Regulation 1470. Records**

(a) **GENERAL.** A taxpayer shall maintain and make available for examination on request by the board (CDTFA) or its authorized representatives, records in the manner set forth at California Code of Regulations, Title 18, Section 4901.

(b) **SPECIFIC APPLICATIONS.** In addition to the record keeping requirements set forth in subdivision (a), suppliers, ultimate vendors, retail vendors, and users shall comply with the following requirements.

(1) **SUPPLIER'S RECORDS.** A supplier shall maintain complete records of all rack removals, sales, imports, and exempt dispositions including exemption certificates, self-consumed diesel fuel, inventories, purchases, receipts, and tank gaugings or meter readings, of diesel and any other fuel that is required to be accounted for on the supplier's return or report. Such records include but are not limited to:

- (A) Refinery Reports related to the production of diesel fuel.
- (B) Inventory reconciliation by location.
- (C) Storage inventory reports.
- (D) List of storage locations.
- (E) Tax returns from other states to support export claims.
- (F) Cardlock statements.

**(G)** Calculations or formulas to support off-highway exempt usage.

**(H)** First Taxpayer Reports.

**(I)** Support for claimed Supplier bad debts.

(2) **ULTIMATE VENDOR'S RECORDS.** An ultimate vendor shall maintain complete records of all sales, exports, or other dispositions of tax-paid diesel fuel for which a claim for refund is being made, including exemption certificates, self-consumed fuel, inventories, purchases, receipts, and tank gaugings or meter readings, of diesel fuel and any other fuel the use of which is accounted for on the ultimate vendor's claim for refund. Such records may include but are not limited to:

**(A)** Purchase invoices for undyed tax-paid diesel fuel.

**(B)** Purchase invoices for dyed ex-tax diesel fuel.

**(C)** Delivery tickets for diesel fuel exported.

**(D)** Tax returns from other states to support diesel fuel export claims.

**(E)** Copies of United States Government purchase orders or United States Government credit card receipts.

**(F)** Cardlock statements.

**(G)** Calculations or formulas to support off-highway exempt usage of diesel fuel.

(3) **ULTIMATE VENDOR'S SALES INVOICES.** The ultimate vendor shall prepare a serially numbered invoice for each sale of diesel fuel. A single invoice or a single cardlock statement covering multiple deliveries of diesel fuel made during a period of time not to exceed a calendar month shall constitute an invoice for each sale. If the multiple delivery invoice or cardlock statement includes both tax-exempt deliveries with respect to which the ultimate vendor is excused from collecting the tax and deliveries upon which the tax is required to be collected, the invoice or cardlock statement shall contain or be accompanied by a statement showing separately the deliveries and gallonage upon which the tax is collected and the tax-exempt deliveries and gallonage. The invoice or cardlock statement shall be delivered to the purchaser, and a copy thereof shall be retained by the ultimate vendor.

A sales invoice or cardlock statement shall contain the following information:

**(A)** The name and address of the ultimate vendor.

**(B)** The name of the purchaser.

**(C)** The date of sale.

**(D)** The number of gallons of diesel fuel sold, the price per gallon and the total amount of the sale.

**(E)** The amount of the diesel fuel tax collected; however, the amount of the tax collected need not be separately stated if the invoice bears the notation that the price includes the tax.

**(F)** A statement that there is no evidence of dye in the undyed diesel fuel included in the invoice or cardlock statement.

**(G)** The dyed diesel fuel notice for dyed diesel fuel included in the invoice or cardlock statement.

**(4) RECEIPT FOR TAX PAID TO A RETAIL VENDOR.** The sales invoice shall upon payment by the purchaser constitute a receipt for the amount of diesel fuel tax included therein collected by the retail vendor.

The sales invoice shall contain the information in (A), (B), (C) and (D). The sales invoice or similar document shall also include the information in (E) and (F).

**(A)** The name and address of the retail vendor.

**(B)** The date of sale.

**(C)** The number of gallons of diesel fuel sold, the price per gallon and the total amount of the sale

**(D)** The amount of the diesel fuel tax collected, however, the amount of the tax collected need not be separately stated if the invoice bears the notation that the price includes the tax.

**(E)** A statement that there is no evidence of dye in the undyed diesel fuel included in the invoice.

**(F)** The dyed diesel fuel notice for dyed diesel fuel included in the invoice.

**(5) USER'S RECORDS.** The user shall maintain complete records of self- consumed diesel fuel, inventories, purchases, receipts, and tank gaugings or meter readings, of diesel fuel and any other fuel the use of which is subject to the diesel fuel tax. Records shall also support any calculations or formulas used to claim exempt percentages of exempt usage of diesel fuel.

**(6) USER'S INVOICES.** Users of diesel fuel subject to the tax shall obtain from the retail vendor of the diesel fuel and retain in their files an invoice for each delivery of such diesel fuel into the fuel tank or tanks of each vehicle operated by them and for each delivery into their bulk storage tank or tanks. These invoices shall set forth the information specified in subsection (b)(4) of this regulation and shall be filed or identified in a systematic manner so that they may readily be traced into their purchase or expense records and into their tax returns or claims for refund to the board (CDTFA).

## **Motor Vehicle Fuel:**

**R&T Code section 8301. Records.** Every highway vehicle operator/fueler, industrial user, pipeline operator, supplier, train operator, vessel operator and every person dealing in, removing, transporting, or storing motor vehicle fuel in this state shall keep those records, receipts, invoices, and other pertinent papers with respect thereto in that form as the board (CDTFA) may require. Failure to maintain records will constitute a misdemeanor punishable as provided in Section 8402.

**R&T Code section 8302:** Each terminal operator shall keep the following information with respect to each rack removal of fuel at each terminal it operates:

- (1) The bill of lading or other shipping document.
- (2) The volume and date of the removal.
- (3) The identity of the person, such as a common carrier, that physically received the fuel.
- (4) The identity of the position holder or position holder's customer.
- (5) Any other information required by the Internal Revenue Service pursuant to Section 48.4101-1 of Title 26 of the Code of Federal Regulations.

## **Regulation 1178. Records**

**(b) SPECIFIC APPLICATIONS.** In addition to the record keeping requirements set forth in subdivision (a), suppliers shall comply with the following requirements.

A supplier shall maintain complete records of all rack removals, sales, imports and exempt dispositions including exemption certificates, self-consumed fuel, inventories, purchases, receipts, and tank gaugings or meter readings, of motor vehicle and any other fuel that is required to be accounted for on the supplier's return or report. Such records include but are not limited to:

- (1) Refinery Reports related to the production of motor vehicle fuel.
- (2) Inventory reconciliation by location.
- (3) Storage inventory reports.
- (4) List of storage locations.
- (5) Tax returns from other states to support export claims.
- (6) Cardlock statements.
- (7) Calculations or formulas to support off-highway exempt usage.
- (8) First Taxpayer Reports.

## **Special Taxes Administration- Miscellaneous**

### **California Code of Regulations 4901. Records**

*Reference:* Sections 8301, 8302, 8303, 8304, 9253, 9254, 30453, 30454, 32551, 32453, 40172, 40173, 40174, 40175, 41056, 41073, 41129, 43502, 45852, 46602, 46603, 50153, 55302, 55363.5, 60604, 60605, and 60606, Revenue and Taxation Code.

(A) Where a taxpayer uses electronic data interchange (EDI) processes and technology, the level of record detail, in combination with other records related to the transactions, must be equivalent to that contained in an acceptable paper record. For example, the retained records should contain such information as:

1. vendor name,
2. invoice date,
3. product description,
4. quantity purchased,
5. price,
6. amount of tax,
7. indication of tax status (e.g., exempt), and
8. shipping detail.

Codes may be used to identify some or all of the data elements, provided the taxpayer maintains a method which allows the Board (CDTFA) to interpret the coded information.

### **Section 37-What entities are exempt / excluded in your state?**

#### **Please cite the statutory reference.**

The following entities are exempt from the following fuel taxes. This list does not include all exemptions, such as exempt uses.

#### **Motor Vehicle Fuel:**

##### **R&T Code section 7401** “Exemptions”

The provisions requiring the payment of motor vehicle fuel tax do not apply to the following entities:

##### **Consulate Officer:**

(a)(4) Motor vehicle fuel sold by credit card certified by the United States Department of State to any consulate officer or consulate employee of a foreign government who is not engaged in any private occupation for gain within this state, who uses the motor vehicle fuel in a motor vehicle that is registered with the United States Department of State, and whose government has done either of the following:

(A) Entered into a treaty with the United States providing for the exemption of its representatives from national, state, and municipal taxes.

(B) Granted a similar exemption to representatives of the United States.

##### **United States Armed Forces:**

(a)(5) Motor vehicle fuel sold to the United States armed forces for use in ships or aircraft, or for use outside this state.

Licensed Industrial User:

(a)(6) Gasoline blendstocks removed from a pipeline or vessel, when the gasoline blendstocks are received by a licensed industrial user.

Train Operator:

(a)(11) Motor vehicle fuel sold by a supplier to a train operator for use in a motor vehicle fuel-powered train or for other off-highway use and the supplier has on hand an exemption certificate described in Section 7403 from the train operator.

**Diesel:**

**R&T Code section 60100** “Exemptions”

The provisions requiring the payment of motor vehicle fuel tax do not apply to the following entities:

Consulate Officer:

(a)(6) Diesel fuel sold by credit card certified by the United States Department of State to any consulate officer or consulate employee of a foreign government who is not engaged in any private occupation for gain within this state, who uses the diesel fuel in a motor vehicle which is registered with the United States Department of State, and whose government has done either of the following:

(A) Entered into a treaty with the United States providing for the exemption of its representatives from national, state, and municipal taxes.

(B) Granted a similar exemption to representatives of the United States.

Train Operator:

(a)(7) Diesel fuel sold by a supplier to a train operator for use in a diesel-powered train or for other off-highway use and the supplier has on hand an exemption certificate from the train operator.

United States:

(a)(8) Diesel fuel sold by a supplier to the United States and its agencies and instrumentalities.

**R&T Code Section 60037** “Ultimate purchaser” means a person who uses diesel fuel for use on a farm for farming purposes or an exempt bus operator that uses diesel fuel in an exempt bus operation. Ultimate purchasers may purchase diesel fuel without paying the diesel fuel tax reimbursement if they purchase it under an exemption certificate from an ultimate vendor. Exempt bus operators must pay one cent (\$0.01) for each gallon of diesel fuel used in the operation of exempt buses on state highways (**R&T Code Section 60502.2**)

**R&T Code Section 60043** “Government entity” means California and its political subdivisions except for a political subdivision that is only an exempt bus operator. A government entity is not exempt but can purchase undyed diesel fuel without payment of tax to the vendor when purchased under an exemption certificate. Government entities must report and remit diesel fuel

tax due on their *Government Entity Diesel Fuel Tax Return*.

**Interstate Users (IFTA), [R&T Code section 60112](#)** “Qualified motor vehicle” does not include recreational vehicles as defined at [R&T Code Section 60013](#).

**Aircraft Jet Fuel:**

**[R&T Code section 7389](#)** “Aircraft jet fuel user” does not include:

- (a) A common carrier by air engaged in the business of transporting persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the authority of the laws of this state, of the United States or of any foreign government.
- (b) A person engaged in the business of constructing or reconstructing by manufacture or assembly of completed aircraft, or modifying, overhauling, repairing, maintaining, or servicing of aircraft.
- (c) The armed forces of the United States.

**Alternative Fuel:**

**[R&T Code section 8654](#)** Public agencies on military reservations – Fuel used in any motor vehicles owned by a county, city, district, or other political subdivision or public agency is exempt from the use fuel tax when the vehicle is operated within a military reservation on roads that are constructed and maintained by the U.S. Government.

**[R&T Code section 8655](#)** Transit operators – certain public and private operators of transit services are eligible for a reduced rate of use fuel tax. Eligible operators pay one cent (\$0.01) per gallon, instead of the full rate.

**[R&T Code section 8651.7](#)** Annual flat rate fuel tax – An alternative to paying use fuel tax to vendors, an operator of a vehicle powered by LPG, LNG, CNG, DME, or DME-LPG blends, may pay an annual flat rate fuel tax. The tax is based on the type and weight of the vehicle:

Unladen Weight	Fee
All passenger cars and other vehicles 4,000 pounds (lbs.) or less	\$36
More than 4,000 lbs. but less than 8,001 lbs.	\$72
More than 8,000 lbs. but less than 12,001 lbs.	\$120
12,001 lbs. or more	\$168

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

None.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Motor Vehicle Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
Licensed Suppliers	<a href="#">8126</a>	Over-payment on tax returns filed	<a href="#">CDTFA</a>	Written letter or CDTFA-101	Any time within allowable period	Within three years from the last day of the month following the month for which the overpayment was made.	<a href="#">8128</a>



Motor Vehicle Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
Licensed Suppliers & Unlicensed Exporters	<u>8101</u>	<u>Tax-Paid Exports</u>	<u>State Controller's Office</u>	<u>Form SCGR-1</u>	Any time within allowable period	<p>Within three years from the date of purchase of the motor vehicle fuel or, if the tax was not invoiced at the time of the purchase of the motor vehicle fuel, the application for refund shall be filed within six months after the receipt of an invoice for the tax, whichever period expires later.</p> <p>For suppliers claiming credit on a return in lieu of claiming a refund of tax, the credit must be claimed on a return filed within three months after</p>	<u>8105</u>

Motor Vehicle Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
						the close of the calendar month in which the tax-paid fuel is exported.	
Licensed Suppliers & Sellers & Exempt Users	<a href="#">8101</a> <a href="#">8101.1</a> <a href="#">8101.7</a>	Various	<a href="#">State Controller's Office</a>	<a href="#">Form SCGR-1</a>	Annually or quarterly (if each quarterly claim is for \$750 or more)	Within three years from the date of purchase of the motor vehicle fuel or, if the tax was not invoiced at the time of the purchase of the motor vehicle fuel, the application for refund shall be filed within six months after the receipt of an invoice for the tax, whichever period expires later.	<a href="#">8105</a>
Public Transportation	<a href="#">8101.6</a>		<a href="#">State Controller's Office</a>	<a href="#">Form SCGR-1</a>	Annually or quarterly (if	Within three years from the date of purchase of	<a href="#">8105</a>

Motor Vehicle Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
					each quarterly claim is for \$750 or more)	the motor vehicle fuel or, if the tax was not invoiced at the time of the purchase of the motor vehicle fuel, the application for refund shall be filed within six months after the receipt of an invoice for the tax, whichever period expires later.	

Diesel Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
Licensed Ultimate Vendors	<a href="#">60502</a>	Sales to Ultimate Purchasers	<a href="#">CDTF A</a>	<a href="#">CDTFA -770-DV</a>	Monthly	Within three years from the date of purchase or, if the tax was not invoiced at the time of the purchase of the diesel fuel, the application for refund shall be filed within six months after the receipt of an invoice for the tax, whichever period expires later.	<a href="#">60507</a>
Licensed Ultimate Vendors	<a href="#">60502</a>	Sales to Ultimate Purchasers	<a href="#">CDTF A</a>	<a href="#">CDTFA -770-DVW</a>	Weekly (total claim must be at least \$200)	Within three years from the date of purchase or, if the tax was not invoiced at the time of the purchase	<a href="#">60507</a>

Diesel Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
						of the diesel fuel, the application for refund shall be filed within six months after the receipt of an invoice for the tax, whichever period expires later.	
Licensed Suppliers	<a href="#">60501</a> <a href="#">60502</a>	Credit tax return	<a href="#">CDTF A</a>	<a href="#">CDTFA -501-DD</a>	Monthly	Within three years from the date of purchase or, if the tax was not invoiced at the time of the purchase of the diesel fuel, the application for refund shall be filed within six months after the receipt of an	<a href="#">60507</a>

Diesel Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
						invoice for the tax, whichever period expires later.	
Licensed Suppliers	<a href="#">60521</a>	Overpayment on tax return filed	<a href="#">CDTF A</a>	Written letter or <a href="#">CDTFA -101</a>	Any time within allowable period	Within three years from the last day of the month following the month for which the overpayment was made.	<a href="#">60522</a>
Government Entity	<a href="#">60501</a>	Credit tax return	<a href="#">CDTF A</a>	<a href="#">CDTFA -501-DG</a>	Quarterly	Within three years from the date of purchase or, if the tax was not invoiced at the time of the purchase of the diesel fuel, the application for refund shall be	<a href="#">60507</a>

Diesel Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
						filed within six months after the receipt of an invoice for the tax, whichever period expires later.	
Government Entity	<a href="#">60521</a>	Overpayment on tax return filed	<a href="#">CDTFA</a>	Written letter or <a href="#">CDTFA-101</a>	Any time within allowable period	Within three years from the last day of the month following the month for which the overpayment was made.	<a href="#">60522</a>
Diesel Users	<a href="#">60521</a>	Nontaxable Uses	<a href="#">CDTFA</a>	<a href="#">CDTFA-770-DU</a>	Any time within allowable period	Within three years from the date of purchase or, if the tax was not invoiced at the time of the purchase of the diesel	<a href="#">60507</a>

Diesel Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
						fuel, the application for refund shall be filed within six months after the receipt of an invoice for the tax, whichever period expires later.	
Exporters and Exempt Sales	<a href="#">60501</a>	Nontaxable Sales and Exports	<a href="#">CDTF A</a>	<a href="#">CDTEA -770-DZ</a>	Any time within allowable period	Within three years from the date of purchase or, if the tax was not invoiced at the time of the purchase of the diesel fuel, the application for refund shall be filed within six months after the receipt of an invoice for	<a href="#">60507</a>



Diesel Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
						the tax, whichever period expires later.	
Qualified Highway Vehicle Operators	<a href="#">60521</a>	Overpayment on tax returns filed	<a href="#">CDTF A</a>	Written letter or <a href="#">CDTFA -101</a>	Any time within allowable period	Within three years from the last day of the month following the month for which the overpayment was made.	<a href="#">60522</a>
Licensed Supplier or Any Other Person	<a href="#">60501</a>	Tax-paid Lost Fuel	<a href="#">CDTF A</a>	Written letter or <a href="#">CDTFA -101</a>	Any time within allowable period	Within three years from the date of purchase or, if the tax was not invoiced at the time of the purchase of the diesel fuel, the application for refund shall be filed within	<a href="#">60507</a>

Diesel Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
						six months after the receipt of an invoice for the tax, whichever period expires later.	
Exempt Bus Operators	<a href="#">60521</a>	Overpayment on tax returns filed	<a href="#">CDTF A</a>	Written letter or <a href="#">CDTFA -101</a>	Any time within allowable period	Within three years from the last day of the month following the month for which the overpayment was made.	<a href="#">60522</a>

Aircraft Jet Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
Licensed Aircraft Jet Fuel Dealers	<a href="#">8126</a>	Over-payment on tax returns filed	<a href="#">CDTFA</a>	Written letter or <a href="#">CDTFA-101</a>	Any time within allowable period	Within three years from the last day of the month following the month for which the overpayment was made.	<a href="#">8128</a>

(Alternative Fuel) Use Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
Vendors	<a href="#">9151</a>	Overpayment on tax return filed	<a href="#">CDTFA</a>	Written letter or <a href="#">CDTFA-101</a>	Any time within allowable period	Within three years from the last day of the month following the reporting period for which the overpayment was made.	<a href="#">9152</a>

<b>(Alternative Fuel) Use Fuel Tax</b>							
<b>Type of Claimant</b>	<b>Revenue and Taxation Code Section</b>	<b>Type of Claim</b>	<b>File Claim with</b>	<b>Claim Form</b>	<b>When to File</b>	<b>Allowable period in which to file a claim</b>	<b>Deadline Revenue and Taxation Code Section</b>
Users	<a href="#"><u>9151</u></a>	Overpayment on tax return filed	<a href="#"><u>CDTFA</u></a>	Written letter or <a href="#"><u>CDTFA-101</u></a>	Any time within allowable period	Within three years from the last day of the month following the reporting period for which the overpayment was made.	<a href="#"><u>9152</u></a>
Users	<a href="#"><u>9151</u></a>	Credit tax return	<a href="#"><u>CDTFA</u></a>	<a href="#"><u>CDTFA 501-AU</u></a>	Quarterly or annually as registered	Within three years from the last day of the month following the reporting period for which the overpayment was made.	<a href="#"><u>9152</u></a>
Exempt Bus Operators	<a href="#"><u>9151</u></a>	Overpayment on tax return filed	<a href="#"><u>CDTFA</u></a>	Written letter or <a href="#"><u>CDTFA-101</u></a>	Any time within allowable period	Within three years from the last day of the month following the reporting period for which the overpayment was made.	<a href="#"><u>9152</u></a>

(Alternative Fuel) Use Fuel Tax							
Type of Claimant	Revenue and Taxation Code Section	Type of Claim	File Claim with	Claim Form	When to File	Allowable period in which to file a claim	Deadline Revenue and Taxation Code Section
Exempt Bus Operators	9151	Credit tax return	CDTFA	<a href="#">CDTFA-501-AB</a>	Quarterly or annually as registered	Within three years from the last day of the month following the reporting period for which the overpayment was made.	9152

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both. See Section 39 for specific claim forms.

**Section 41- Does your state accept electronic BOLs?**

Yes, pursuant to [Regulation 4901](#), *Records*, electronic Bill of Ladings are acceptable.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Both the BOL and delivery dates are accepted and evaluated to determine ownership and tax due.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

[CDTFA-810-FTE, Instructions for Preparing Motor Fuels Schedules](#)  
[Motor Fuels Online Filing](#)

# STATE OF COLORADO

## **Section 1-Contact Information**

Agency: Colorado Department of Revenue

Name: Anthony Muller

Street Address: PO Box 17087

City, State, Zip Code; Denver, CO 80217-0087

**Phone Number:** 303-205-8205 (Fuel Unit Help

Line) **Fax Number:** N/A

**E-mail Address:** [DOR\\_FuelTax@state.co.us](mailto:DOR_FuelTax@state.co.us), [anthony.muller@state.co.us](mailto:anthony.muller@state.co.us)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

39-27-101 through 123 {C.R.S.}

8-20-206.5 C.R.S. Environmental response surcharge

43-4-217 C.R.S. Additional funding

[Rule 1 CCR 201-16](#)

## **Section 3-State Point of Taxation**

**Gasoline/Diesel/Special Fuel/Aviation Fuel/Jet Fuel:**

- December 31, 2021 and Prior: Below the terminal rack, the point of taxation is any of the first three transactions between licensed distributors.
- January 1, 2022 and later, the point of taxation is the first distributor to receive the fuel below the terminal rack.

**Unless the use is exempt, LPG is taxable when put in a motor fuel tank, and when used from a cargo tank to propel a cargo tank motor vehicle.**

## **Section 4-Please define “First Receiver” and “Point of Taxation” and site your statutory reference regarding point of taxation.**

First Receiver-: not defined in motor fuel statutes, in practice, in the case of gasoline or special fuel removed from a terminal, the first receiver is the person first receiving the gasoline or special fuel at the terminal even if such person is also the supplier. In the case of gasoline or special fuel removed from a terminal by a common carrier, the person who owns the gasoline or special fuel removed by the common carrier is deemed to be the first receiver thereof.

Point of Taxation: (December 31, 2021 and prior) 39-27-102. Tax imposed on gasoline and special fuel - deposits - penalties

(1) (a) (I) (A) An excise tax is imposed and shall be collected on all gasoline or special fuel acquired, sold, offered for sale, or used in this state for any purpose whatsoever, but only one tax shall be paid upon the same gasoline or special fuel in this state. Except as otherwise provided in this subparagraph (I), no more than three tax-deferred transactions shall take place after the gasoline or special fuel has left the terminal of its origin, either within or outside of this state; except that, for purposes of counting the applicable transactions in order to collect the tax imposed by this subparagraph (I), counting shall begin when the gasoline or special fuel first enters this state, whether by truck or by rail. If more than three distributors acquire the gasoline or special fuel, the third distributor shall be liable for payment of the tax imposed. Nothing in this paragraph (a) shall preclude previous distributors from paying the tax. A distributor shall not be required to pay tax on gasoline or special fuel that is exempt pursuant to [section 39-27-103 \(2\)](#). The tax imposed shall be computed upon the total amount of gasoline or special fuel, measured in gallons, acquired by each distributor in this state and shall be paid in the manner provided in this section. For purposes of this sub-subparagraph (A), "special fuel" does not include liquefied petroleum gas.

(B) An excise tax is imposed on liquefied petroleum gas when it is placed in a fuel tank, unless the use of the special fuel is exempt. The tax imposed is computed upon the total amount of liquefied petroleum gas, measured in gallons, that is placed in the fuel tank. If the liquefied petroleum gas is placed in the fuel tank by a distributor, the distributor shall pay the tax to the department of revenue in accordance with this section.

(C) If a distributor uses liquefied petroleum gas from a cargo tank to propel a cargo tank motor vehicle on the highways in this state, an excise tax is imposed on the liquefied petroleum gas that is used as special fuel. The liquefied petroleum gas that is carried in the cargo tank but not used as special fuel is not subject to the excise tax. The tax imposed is computed upon an estimate of the total amount of liquefied petroleum gas, measured in gallons, used to propel the cargo tank motor vehicle based on the number of miles that the vehicle traveled. A distributor shall report to the department of revenue the number of miles that the vehicle traveled based on odometer readings. The department shall establish the form to be used to report this information.

Point of Taxation: (January 1, 2022 and later)

**39-27-102. Tax imposed on gasoline and special fuel - deposits**

**- penalties.** (1) (a) (I) (A) An excise tax is imposed UPON and IS REQUIRED TO BE PAID BY A DISTRIBUTOR on all gasoline or special fuel acquired IN, sold IN, IMPORTED INTO, REMOVED FROM ANY TERMINAL IN, or used in this state for any purpose whatsoever, but only one tax IS REQUIRED TO BE paid upon the same gasoline or special fuel in this state. SUBSECTION (1)(a)(I)(A), "special fuel" does not include liquefied petroleum gas.

(B) An excise tax is imposed UPON AND IS REQUIRED TO BE PAID BY A DISTRIBUTOR on liquefied petroleum gas when it is placed in a fuel tank, unless the use of the special fuel is exempt. If the liquefied petroleum gas is placed in the fuel tank by a distributor, the distributor shall pay the tax to the department of revenue in accordance with this section.

(C) If a distributor uses liquefied petroleum gas from a cargo tank to propel a cargo tank motor vehicle on the highways in this state, an excise tax is imposed UPON AND IS REQUIRED TO BE PAID BY A DISTRIBUTOR on the liquefied petroleum gas that is used as special fuel. The liquefied petroleum gas that is carried in the cargo tank but not used as special fuel is not subject to the excise tax. The tax imposed is computed upon an estimate of the total amount of liquefied petroleum gas, measured in gallons, used to propel the cargo tank motor vehicle based on the number of miles that the vehicle traveled. A distributor shall report to the department of revenue the number of miles that the vehicle traveled based on odometer readings. The department shall establish the form to be used to report this information.

### **Section 5-State Tax Rates**

Fuel Tax Rates	Aviation Gas	Aviation Jet Fuel	Compressed Natural Gas (CNG)	Gasoline	Liquefied Natural Gas (LNG)	Liquefied Petroleum Gas (LPG)	Special Fuel
Jan 2019 and subsequent periods	\$0.06	\$0.04	\$0.183 <sup>1</sup>	\$0.22	0.12 <sup>1</sup>	\$0.135 <sup>1</sup>	\$0.205

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

C.R.S. 39-27-101 "Gallons" means gallons as measured on a gross gallon basis, as defined in section 8-20-201 (3), except for LPG is taxed based on a "net gallon" basis. C.R.S. 39-27-101 (11)(b).

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Fuel Fees and Surcharge Rates	Bridge and Tunnel Impact (BTI) Fee <sup>3</sup>	Environmental Response Surcharge (ERS) <sup>2, 4, 5, 9</sup>	Liquefied Petroleum Gas and Natural Gas (LPG/NG) Inspection Fee <sup>2, 6</sup>	Perfluoroalkyl and Polyfluoroalkyl Substances Fee (PFAS) <sup>2, 7, 10</sup>	Road Usage Fee (RUF) <sup>8</sup>
Sep 2020 through June 2022	N/A	\$0.0125	\$0.001250	\$0.003125 <sup>1</sup>	N/A



<b>Fuel Fees and Surcharge Rates</b>	<b>Bridge and Tunnel Impact (BTI) Fee<sup>3</sup></b>	<b>Environmental Response Surcharge (ERS)<sup>2, 4, 5, 9</sup></b>	<b>Liquefied Petroleum Gas and Natural Gas (LPG/NG) Inspection Fee<sup>2, 6</sup></b>	<b>Perfluoroalkyl and Polyfluoroalkyl Substances Fee (PFAS)<sup>2, 7, 10</sup></b>	<b>Road Usage Fee (RUF)<sup>8</sup></b>
July 2022 through Dec 2022	\$0.02 <sup>1</sup>	\$0.0125	\$0.001250	\$0.003125	N/A
Jan 2023 through March 2023	\$0.02	\$0.009375 <sup>1</sup>	\$0.001250	\$0.003125 <sup>10</sup>	N/A
April 2023	\$0.02	\$0.009375	\$0.001250	\$0.003125 <sup>10</sup>	\$0.02 <sup>1</sup>
May 2023 through June 2023	\$0.02	\$0.00625 <sup>1</sup>	\$0.001250	\$0.003125 <sup>10</sup>	\$0.02
July 2023 through June 2024	\$0.03 <sup>1</sup>	\$0.00625 <sup>9</sup>	\$0.001250	\$0.003125 <sup>10</sup>	\$0.03 <sup>1</sup>
July 2024 through June 2025	\$0.04 <sup>1</sup>	\$0.0125 <sup>9</sup>	\$0.001250	\$0.003125 <sup>10</sup>	\$0.04 <sup>1</sup>
July 2025 through June 2026	\$0.05 <sup>1</sup>	\$0.0125 <sup>9</sup>	\$0.001250	\$0.003125 <sup>10</sup>	\$0.05 <sup>1</sup>
July 2026	\$0.06 <sup>1</sup>	\$0.0125 <sup>9</sup>	\$0.001250	\$0.003125 <sup>10</sup>	\$0.06 <sup>1</sup>

Fuel Fees and Surcharge Rates	Bridge and Tunnel Impact (BTI) Fee <sup>3</sup>	Environmental Response Surcharge (ERS) <sup>2, 4, 5, 9</sup>	Liquefied Petroleum Gas and Natural Gas (LPG/NG) Inspection Fee <sup>2, 6</sup>	Perfluoroalkyl and Polyfluoroalkyl Substances Fee (PFAS) <sup>2, 7, 10</sup>	Road Usage Fee (RUF) <sup>8</sup>
through June 2027					
July 2027 through June 2028	\$0.07 <sup>1</sup>	\$0.0125 <sup>9</sup>	\$0.001250	\$0.003125 <sup>10</sup>	\$0.07 <sup>1</sup>
July 2028 through June 2032	\$0.08 <sup>1</sup>	\$0.0125 <sup>9</sup>	\$0.001250	\$0.003125 <sup>10</sup>	\$0.08 <sup>1</sup>

**Notes:**

<sup>1</sup> Indicates rate change.

<sup>2</sup> Government sales are not exempt from these fees.

<sup>3</sup> The BTI is charged on special fuel only. Dyed special fuel is excluded.

<sup>4</sup> ERS is charged on gasoline and special fuel including dyed special fuel, but is not charged on CNG, LNG or LPG.

<sup>5</sup> Dyed special fuel is sold to a railroad for rail use is exempt from the ERS fee but not exempt from the PFAS fee.

<sup>6</sup> The LPG/NG inspection fee is charged on CNG, LNG and LPG.

<sup>7</sup> The PFAS fee is charged on gasoline and special fuel including dyed special fuel, but is not charged on aviation jet fuel, aviation gasoline, CNG, LNG or LPG.

<sup>8</sup> The RUF is charged on the gasoline and special fuel, but is not charged on aviation jet fuel, aviation gasoline, CNG, LNG and LPG.

<sup>9</sup> ERS is subject to change based upon the Colorado Petroleum Storage Tank Fund balance.

<sup>10</sup> PFAS fee is subject to change based upon the Perfluoroalkyl and Polyfluoroalkyl Substances Fund balance.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:** See Section 5 and Section 6 for all existing taxes and fees. All in statute, current, and known future rates are listed.

FUELS IMPACT REDUCTION FEE (FIRF) is effective September 1, 2023 and is \$0.006125 per gallon.

8-20-206.5(8)(b) (I) On and after September 1, 2023, every manufacturer of fuel products who manufactures such products for sale within Colorado or who ships such products from any point outside of Colorado to a distributor within Colorado and every distributor who ships such products from any point outside of Colorado to a point within Colorado shall pay to the executive director of the department of revenue six thousand one hundred twenty-five millionths of a dollar per gallon of fuel products delivered during the previous calendar month for sale or use in Colorado or a lesser amount determined by the fuels impact enterprise. The distributor shall pay this fee on a per gallon basis and at the same time and on the same form as the fees collected pursuant to subsections (1) and (6) of this section.

### **Section 8-State Collection Allowance**

Loss/collection allowance rate is 2% per gallon. LPG is not subject to the loss/collection allowance rate.

### **Section 9-State Diversion Requirements**

#### **Diversion Required Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** 39-27-105 (7) (a)

**What diversion registry program do you use?** [Fueltrac](#)

**What products are subject to the diversion requirement?**

Special Fuel and gasoline

#### **Diversion Requirements**

39-27-105 (7) (a) If any person other than a licensed distributor or supplier physically diverts to one or more destinations within the boundaries of this state all or any portion of a shipment of gasoline or special fuel that is claimed as an export on the bill of lading or other affidavit, such person shall report to the department of revenue the destinations within this state to which the diverted gasoline or special fuel shipment was delivered within one working day after such diversion. Such person shall be liable for payment of the excise tax established in this part 1 on the amount of gasoline or special fuel diverted to a destination within this state.

(b) Any licensed distributor or supplier who diverts gasoline or special fuel for use or sale within this state after claiming such shipment as an export shall report such diversion to the department of revenue within one working day after the diversion.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

When a diversion is reported for an export, the exporter would claim the refund.

**Do you require the Supplier/Distributor to re-bill or give a credit for the diverted load? No**

**If not required, do you allow the Supplier/Distributor to re-bill or give a credit for the diverted load? Yes**

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

### **Innovative Motor Vehicle and Innovative Truck Credits**

An income tax credit is available for the purchase or lease of a qualifying motor vehicles and trucks titled and registered in Colorado. Qualifying vehicles include electric vehicles (EV), plug-in hybrid electric vehicles (PHEV), and vehicles that run on compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), or hydrogen. The allowable credit phases out over the next several years on varying schedules depending on the type of qualifying vehicle.

The credit is allowed to be assigned to a financing entity or to a motor vehicle dealer. A purchaser or lessor can choose to assign the credit to the financing entity or motor vehicle dealer in exchange for the credit amount deducted from the price of the vehicle.

Last, as of January 1, 2019 a transportation network company (TNC) that enters into long-term leases for passenger vehicles are also eligible for the Innovative Motor Vehicle credit. (HB 19- 1159)

For tax credits after January 1, 2017 please see Income Tax Topics: Innovative Motor Vehicle Credit or Income Tax Topics: Innovative Truck Credit at the Colorado Department of Revenue's website, [www.taxcolorado.com](http://www.taxcolorado.com).

(Reference [Colorado Revised Statutes](#) 39-22-516.7, and 39-22-516.8)

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.205/gallon	B100 is taxable	Subject to ERS, PFAS fee, Road Usage fee, the Bridge and Tunnel Impact fee and the Fuel Impact Reduction Fee	\$0.22/gallon	Ethanol is taxable after blended with gasoline	Subject to ERS, PFAS fee, Road Usage fee and Fuel Impact Reduction Fee

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated the same as diesel fuel. A Special Fuel Distributor License is required. The current tax rate is \$0.205/gallon.	Ethanol is a blend component. Sales between licensed distributors are not taxed until blended with gasoline. The current tax rate is \$0.22/gallon.

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.183 per gallon equivalent	<ul style="list-style-type: none"> <li>The conversion rate is measured by the volumetric reporting requirements that are included in the Federal Excise Tax Return, Form 720. The conversion rate may also be obtained by using mass labeling requirements or the energy measure as promulgated by rule.</li> </ul>
<b>E85</b>	\$0.22 per gallon	
<b>Electric Vehicles/Electricity</b>	A decal is required for all plug-in electric motor vehicles. [42-3-304 (25)(a) C.R.S.]	
<b>Gasoline Hybrid Vehicles</b>	\$0.22 per gallon of gasoline	
<b>Hydrogen</b>		
<b>LNG (Liquefied Natural Gas)</b>	\$0.12 per gallon	Taxed by gross gallon – DGE and GGE equivalents available at <a href="http://colorado.gov">colorado.gov</a>

<b>LPG (Liquefied Petroleum Gas)</b>	LPG is taxable when it is placed in a fuel tank, unless the use is exempt, or if a distributor uses LPG from a cargo tank to propel a cargo tank motor vehicle. The tax rate is \$0.135 per gallon	
<b>Methanol or “M85”</b>	\$0.22 per gallon	
<b>Other</b>	Biodiesel \$0.205 per gallon	

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Butane (055), Pentanes (059), Natural gasoline (061), Xylene (078), Alcohol-sometimes referred to as E00 or M00 (123), Napthas (126), Toluene (199), Ethanol (241), and Methanol (243).	\$0.22 Once blended with Gas	Yes
Biodiesel includes b100; it doesn't have to be blended with any petroleum diesel to be taxable.	\$0.205	Yes

**Section 16-How does your state handle contaminated fuel?**

Generally contaminated fuel can be sold back to a refinery to be re-refined. The distributor would report the gallons sent back to the refinery, by reversing their prior reporting, which would reduce their tax liability and transfer the product back to the original distributor.

**Section 17-Does your state allow bad debt credits?**

Yes, the bad debt/loss/collection allowance rate is .5% of tax.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Fuel Distributor Tax Return (DR 7050)	26 <sup>th</sup> of the following month	26 <sup>th</sup> of the following month
LPG Surcharge Return (DR 0129) (through December 2021 period; obsolete effective January 2022)	26 <sup>th</sup> of the following month	26 <sup>th</sup> of the following month
Fuel Terminal Operator Return (DR 0720)	26 <sup>th</sup> of the following month	N/A
Fuel Carrier Return (DR 7003)	26 <sup>th</sup> of the following month	N/A

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Electronic payment and electronic return submission is required (39-21-119.5(2)(i)), submission date determines timeliness.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Returns and payments are timely as long as they are submitted by 11:59 pm mountain standard time on the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The following business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Fuel Distributor Return (DR 7050) December 2021 and prior periods	10% + ½% per month up to 18%	10% + ½% per month up to 18%

LPG Surcharge Return (DR 0129) December 2021 and prior periods.	10% + ½% per month up to 18%	10% + ½% per month up to 18%
Fuel Distributor Return (DR 7050) January 2022 and subsequent periods.	January 2022 and subsequent periods: \$100 late filing penalty for late filing	The greater of \$30 or 10% plus a ½% each additional month the payment is late; up to a maximum of 18%.
Terminal Operator Return (DR 0720)	January 2022 and subsequent periods: \$100 late filing penalty	N/A
Carrier Return (DR 7003)	January 2022 and subsequent periods: \$100 late filing penalty	N/A

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is taxed at the same rate as gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Common carriers are required to file monthly carrier returns

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

Effective January 1, 2022, the distributor receiving the gasoline or special fuel at the terminal is responsible for paying the tax, even when they are also the supplier within the terminal. In the case of fuel removed from a terminal by a common carrier, the consignor who owns the gasoline or special fuel removed is the recipient thereof and is responsible for paying the tax as it is pulled from the terminal.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?**

**Please provide the Statute that supports that deferral.**

N/A – Excise tax is paid by the first distributor below the terminal rack.



**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A – The point of taxation for the fees is the first distributor below the terminal rack.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change?**  
**Is tax imposed on volume or value and when is it collected?**

No. Sales of gasoline, dyed diesel and other motor fuels are exempt from sales tax.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

There is no bonding requirement for fuel distributors, terminal operators or carriers.

These will require resolutions

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	X	3, 4
Importer	X	1, 3, 4
Exporter	X	2, 3, 4
Carrier		6
Terminal Operator		7
Blender	X	3, 4, 8, 9
Supplier	X	3, 5, 10

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Electronically. Yes, resubmission of the entire return including changes is required.

**Section 34-Does your state allow credit and rebills on the current month report?**

Credits/refunds are allowed with the return. Distributors are required to submit a refund claim to receive the credit with an amended return.

A rebill must be recorded in the month that the original transaction took place, by amending the return.

**Section 35-How many days are allowed to report late loads?**

Transactions reported after the filing and payment due date are subject to additional penalties

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Colorado does not have a statutory requirement for information which is required to be on shipping documents.

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

Fuel tax exemptions 39-27-102.5 C.R.S.

Fuel may be exempt from excise tax based either on the end user of the fuel or the type of use. Fuel that is exempt as described below can be sold without the collection and payment of fuel tax. Fuel tax must be paid on any fuel that is not exempt as described below. If purchasers are using taxed fuel for purposes that qualify for exemption authorized by law, the purchaser can apply to the Department for a refund of the excise tax paid 39-27-103.

Fuel sold to governmental entities

Fuel tax does not apply to fuels sold by a licensed distributor to a governmental entity for use exclusively by the governmental entity in the performance of its governmental functions and activities. The exemption applies solely to fuel used in machines owned and operated by a governmental entity. Governmental entities eligible for the exemption include the United States, the State of Colorado, and any town, city, county, school district, or political subdivision of the State of Colorado. Governmental entities must apply for and receive an exemption certificate from the Department before they can purchase fuel tax exempt. Governmental entities can apply for an exemption certificate by completing the Application for Fuel Tax Exemption Certificate for Government or Political Subdivision (DR 0241).

Governmental entities can make tax-free purchases of fuel only from licensed distributors, not from regular commercial fueling stations serving the public. Any governmental entity that purchases fuel from such a station must pay the tax at the time of purchase and claim a refund for the tax paid.

Dyed diesel fuel

Fuel tax does not apply to diesel fuel dyed pursuant to federal law for exempt off-road use such as use for farming purposes. However, dyed diesel is not exempt from the environmental response surcharge.

Aviation fuel

Fuel tax does not apply to aviation fuel sold to:

- scheduled air carriers or commuter airline operators that are exempt from the federal aviation fuel taxes;
- commercial airlines operating pursuant to 14 CFR 121, but fuel used for on-demand operations pursuant to 14 CFR 135 is not exempt;
- commuter air carriers operating pursuant to 14 CFR 135; or
- direct air carriers providing air transportation services to a public charter pursuant to 14 CFR 380.

Entities that use fuel in an exempt manner may claim a refund for the exempt use of the fuel. 39-27-102.5 Exemptions on tax imposed – ex-tax purchases  
39-27-103 Refunds – penalties – checkoff – limits on collections

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

The statute of limitation does not prevent a taxpayer from filing a return reporting and paying additional tax.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

The later of 3 years from due date of the return or when the return was filed.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Claiming a refund through an amended return, requires a reason for the change. Generally, form [DR 137E](#) is submitted for a claim for refunds. This form can be filed through Revenue Online or with the paper form.

**Section 41- Does your state accept electronic BOLs?**

Yes.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

The origin sale (the date of manifest, when created at the terminal).

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes, at [tax.colorado.gov/fuel-tax-spreadsheet-filing](http://tax.colorado.gov/fuel-tax-spreadsheet-filing)

# STATE OF CONNECTICUT

## **Section 1-Contact Information**

**Agency:** Department of Revenue Services

**Name:** Michael Romeo

**Street Address:** 450 Columbus Blvd.,

**City, State, Zip Code:** Hartford, CT 06106

**Phone Number:** 860-541-4567

**Fax Number:** 860-541-7698

**E-mail Address:** [Michael.Romeo@ct.gov](mailto:Michael.Romeo@ct.gov)

## **Section 2-Statutes and Rules**

### **Please give reference to your Statutes and Rules:**

Title 12, Chapter 221 Motor Vehicle Fuels Tax, §12-455 – 12-476;

Title 14, Chapter 246 § Sec. 14-1, Definitions (38) “Fuels”.

Title 12, Chapter 227 Sale of Petroleum Products Gross Earnings Tax, §12-587 – 12-602;

Conn. Agencies Regs. §12-602-1a Definitions and §12-602-2 Credits and Deductions

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Distributor

**Jet Fuel:** Distributor

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-:

Point of Taxation: Distributor - Conn. Gen. Stat. § 12-458(a)(2)

## **Section 5-State Tax Rates**

**Gasoline:** 25¢ per gallon motor vehicle fuels tax and 8.1% petroleum products gross earnings tax

**Diesel:** 44.6¢ per gallon (effective 7/1/20 through 6/30/21)  
40.1¢ per gallon (effective 7/1/21 through 6/30/22)  
49.2¢ per gallon (effective 7/1/22 through 6/30/23)  
49.2¢ per gallon (effective 7/1/23 through 6/30/24) see Section 7 below.  
52.4¢ per gallon (effective 7/1/24 through 6/30/25)

**Aviation Fuel (Avgas):** Exempt from motor vehicle fuels tax with valid exemption certificate. All sales prior to 6/30/23 are subject to the 8.1% petroleum products gross earnings tax. See Section 7 below.

**Jet Fuel:** Exempt from motor vehicle fuels tax with valid exemption certificate. All sales prior to 6/30/23 are subject to the 8.1% petroleum products gross earnings tax. See Section 7 below.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Gross Gallons

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

None

## **Section 7-Rate Updates**

**Please list any rate updates for your state:** The diesel fuel tax rate is adjusted annually on July 1st of each year based on the wholesale price of diesel fuel in CT during the previous April 1 through March 31 period. See above for diesel fuel tax rates for past five years. (new) [HB 6941](#). Section 383 caps the diesel fuel rate at 49.2¢ per gallon for FY 2023-24; Sections 384 & 386 exempt aviation fuel from the PGET effective July 1, 2023. Effective July 1, 2025, aviation fuel will be subject to a fuel tax, based on the first sale, at 15¢ per gallon. Also, the new statute requires DRS to calculate the tax rate based on the CPI every 4 years starting July 1, 2029;

## **Section 8-State Collection Allowance**

None

## **Section 9-State Diversion Requirements**

### **Diversion Required**

No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?** None

**What products are subject to the diversion requirement?** N/A

**Diversion Requirements** N/A

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Refund is not applicable.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Yes, Connecticut is a tax at the distributor level state therefore any adjustment would be handled via the distributor's monthly tax return.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** See previous answer.

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

**State Incentives:** None currently.

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
52.4¢ per gallon * See Section #5, #7	B100 is taxable when sold as a motor vehicle fuel	None	\$0.25/gallon	Ethanol is taxable	None

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. You need to have a Special Fuel Distributor License. The current tax rate is 52.4¢ per gallon	Ethanol is treated like gasoline. The tax rate is \$0.25/gallon. Sales to licensed distributors are tax free.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Yes at 26¢ per gallon	1 gallon natural gas = 126.67 cubic feet (2014 Conn. Pub. Acts 155, § 2)
<b>E85</b>	Yes at 25¢ per gallon	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No	
<b>Gasoline Hybrid Vehicles</b>	Yes at 25¢ per gallon	<b>Not Applicable</b>
<b>Hydrogen</b>	No	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Yes at 26¢ per gallon	<b>Not Applicable</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Yes at 26¢ per gallon	5.75 lbs. equals 1 gallon
<b>Methanol or “M85”</b>	Yes at 25¢ per gallon	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane.**

No

**Section 15-Please list what blend stocks are taxable or reportable in your state.**

<b>Blend stock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>If blended with gasoline</b>	<b>25¢ per gallon</b>	<b>Yes</b>
<b>If blended with diesel fuel</b>	<b>52.4¢ per gallon</b>	<b>Yes</b>

**Section 16-How does your state handle contaminated fuel?**

No refunds are allowed, contaminated fuel usually is blended with waste oils.

**Section 17-Does your state allow bad debt credits?**

No



**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Motor Vehicle Fuels Tax Return (O-MF)	25 <sup>th</sup> day of the month following the preceding calendar month.	25 <sup>th</sup> day of the month following the preceding calendar month.
Tax Paid – Motor Vehicle Fuel Tax Return (O-MF 1)	25 <sup>th</sup> day of the month following the preceding calendar month.	25 <sup>th</sup> day of the month following the preceding calendar month.
Special Fuel Tax Return (OP-216)	25 <sup>th</sup> day of the month following the preceding calendar month	25 <sup>th</sup> day of the month following the preceding calendar month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

The postmark date is used to consider the timeliness of a filed tax return.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

11:59 pm on due date is considered timely filed.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
O-MF	10% or \$50 whichever is greater	EFT Penalties: 1 – 5 days late is 2%; 6 – 15 days late is 5%; 16 days and more is 10%; Late payment via check is a flat 10%  (New) Effective December 31, 2019. Public Act 19-186 Section 29. Late payment penalty is 10% or \$50.00 whichever is greater.
O-MF 1	See above	See above
OP-216	See above	See above

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

It is treated as gasoline and taxed at the gasoline tax rate of 25¢ per gallon.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, per Sec. 12-476a. Fuel Transporters to report to commissioner.  
Railroad companies, pipeline companies, water transportation companies, and common carriers are required to report.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral.**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel, or dyed diesel? If so, how are the rates calculated? How often does the rate change?**  
**Is tax imposed on volume or value and when is it collected?**

Yes, if the sale of these kinds of fuels are not taxed under Chapter 221 and are not exempt under 12-412 then the fuel would be subject to sales tax. Rate of tax currently 6.35% on the value or the sale. Example: Gasoline, Kerosene, or diesel sold in hardware stores for off-road equipment such as lawnmowers or chainsaws. These sales may also be subject to the Connecticut Petroleum Products Gross Earnings tax. See below Marine Fuel Dock Owners or Operators.

## **Section 29-What are your bonding requirements for your motor fuel license(s)?**

The CT DRS has automated the bonding process with our new modernized computer system. Taxpayer accounts are reviewed annually in May for the Special Fuel and Motor Vehicle account types. The bond period for these taxpayers is July 1, to June 30. Taxpayer accounts that are in good standing. Two months' worth of liability from the preceding calendar year with a minimum \$5,000. Those distributors that have high risk factors such as having unpaid state taxes, and or delinquent returns, the bonds are significantly increased.

All taxpayers are required to post annually a new Surety Bond. There is no set maximum amount. Failure to renew a bond will result in a show cause hearing to consider suspending or revoking the fuel license.

Licensed Motor Vehicle Exporters are required to post a new surety bond for the period January 1, to December 31.

Fixed Amount: \$10,000.00

Sec. 12-456

## **Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

### **Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Special Fuel Distributors	✓	1,2,3,5,6,7,8,9,10. Unlimited activity.
Tax Paid Motor Vehicle Fuels Distributors	✓	Must purchase all gasoline tax paid. 3,4,5,6,7,10.
Motor Vehicle Fuels Distributors	✓	1,2,3,5,6,7,8,9,10. Unlimited activity.

Motor Vehicle Fuels Exporters	No	2. Taxpayers can purchase gasoline or diesel tax free in Connecticut, and the subsequent sales must be exclusively exported. The taxpayer must be a licensed distributor in the receiving State of final sale.
Heating Fuels Distributors	No	Can only sell heating oil, propane, or kerosene for heating purposes. Any sales other than for "heating", the taxpayer must register as a Special Fuel Distributor.
Aviation Fuel Dealers	No	Dealers must obtain Tax Exemption Form AU-477 from customers to support all sales are exempt.
Marine Fuel Dock Owners or Operators	No	Exempt from excise tax. Sales tax on sales of dyed diesel sold to boats or vessels.  Current Sales tax rate is 2.99 % reported on form OS-114 effective 10/1/2019.  [History: The sales tax rate was 6.35% from 7/1/18 to 9/30/2019. And prior to 6/30/18 exempt from sales tax but taxable for the excise tax.]

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Both. Amended returns must include a letter from the taxpayer explain the reason for the amended return and must include a full detailed resubmission of the return with supporting Receipts and Distribution Schedules.

**Section 34-Does your state allow credit and rebills on the current month report?**

Allowed, however must file amended return.

**Section 35-How many days are allowed to report late loads?**

Activity occurring in a calendar month must be reported in that month's return.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Sec. 12-457. Records to be kept by distributor. Statement to purchaser. Each distributor shall keep an accurate record of the number of gallons of such fuels purchased, manufactured, compounded or received by him, the date of any such purchase and the number of gallons sold or used by him. He shall deliver, with each consignment or delivery of such fuels to any purchaser within this state, a written statement of the names and addresses of the vendor and vendee, the number of gallons sold and the date of sale and delivery. Such written statement shall set forth whether or not the required state tax has been charged thereon. Each such record and such statement shall be preserved by such distributor and such purchaser, respectively, for a period of at least three years and shall be offered for inspection upon demand of the commissioner or any officer or agent designated by him. The commissioner shall cause such records and statements to be regularly audited as he shall prescribe and each distributor shall satisfactorily account for all such fuels as have been sold or used by him. Any such fuels unaccounted for by the distributor for which a satisfactory explanation cannot be submitted shall be construed to have been sold or used.

Sec. 12-458. Returns. Rate and payment of tax. Exemptions. Penalties. (a)(1) Each distributor shall, on or before the twenty-fifth day of each month, render a return to the commissioner. Each return shall be signed by the person required to file the return or by his authorized agent but need not be verified by oath. Any return required to be filed by a corporation shall be signed by an officer of such corporation or his authorized agent. Such return shall state the number of gallons of fuel sold or used by him during the preceding calendar month, on forms to be furnished by the commissioner, and shall contain such further information as the commissioner shall prescribe. The commissioner may make public the number of gallons of fuel sold or used by the distributor, as contained in such report, notwithstanding the provisions of section 12-15 or

any other section. For purposes of this section, fuel sold shall include, but not be limited to, the transfer of fuel by a distributor into a receptacle from which fuel is supplied or intended to be supplied to other than such distributor's motor vehicles.

Sec. 12-458 (4) Each distributor, when making a taxable sale, shall furnish to the purchaser an invoice showing the quantities of fuel sold, the classification thereof under the provisions of this chapter and the amount of tax to be paid by the distributor for the account of the purchaser or consumer.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

**Sec. 12-458. Returns. Rate and payment of tax. Exemptions. Penalties.**

- (3) Said tax shall not be payable on such fuel as may have been:
- (A) Sold to the United States;
  - (B) Sold to a municipality of this state, (i) for use by any contractor performing a service for such municipality in accordance with a contract, provided such fuel is used by such contractor exclusively for the purposes of and in accordance with such contract, or (ii) for use exclusively in a school bus, as defined in section 14-275;
  - (C) Sold to a municipality of this state, a transit district of this state, or this state, at other than a retail outlet, for governmental purposes and for use in vehicles owned and operated, or leased and operated by such municipality, such transit district or this state;
  - (D) Sold to a person licensed as a distributor in this state under section 12-456;
  - (E) Transferred from storage within this state to some point without this state;
  - (F) Sold to the holder of a permit issued under section 12-458a for sale or use without this state;
  - (G) Sold to the holder of a permit issued under subdivision (63) of section 12-412, provided (i) such fuel is not used in motor vehicles registered or required to be registered to operate upon the public highways of this state, unless such fuel is used in motor vehicles registered exclusively for farming purposes, (ii) such fuel is not delivered, upon such sale, to a tank in which such person keeps fuel for personal and farm use, and (iii) a statement, prescribed as to form by the Commissioner of Revenue Services and bearing notice to the effect that false statements made under this section are punishable, that such fuel is used exclusively for farming purposes, is submitted by such person to the distributor;
  - (H) Sold exclusively to furnish power for an industrial plant in the actual fabrication of finished products to be sold, or for the fishing industry;
  - (I) Sold exclusively for heating purposes;
  - (J) Sold exclusively to furnish gas, water, steam or electricity, if delivered to consumers through mains, lines or pipes;
  - (K) Sold to the owner or operator of an aircraft, as defined in section 15-34, exclusively for aviation purposes, provided (i) for purposes of this subdivision, "aviation purposes" means for the purpose of powering an aircraft or an aircraft engine, (ii) such fuel is delivered, upon such sale, to a tank in which fuel is kept exclusively for aviation purposes, and (iii) a statement, prescribed as to form by the Commissioner of Revenue Services and bearing notice to the effect that false statements made under this section are punishable, that such fuel is used exclusively for aviation purposes, is submitted by such person to the distributor;
  - (L) Sold to a dealer who is licensed under section 12-462 and whose place of business is located

upon an established airport within this state;

(M) Diesel fuel sold exclusively for use in portable power system generators that are larger than one hundred fifty kilowatts;

(N) Sold for use in any vessel (i) having a displacement exceeding four thousand dead weight tons, or (ii) primarily engaged in interstate commerce; or

(O) Dyed diesel fuel, as defined in subsection (d) of section 12-487, sold to the owner or operator of marine fuel docks exclusively for marine purposes, provided (i) such fuel is delivered, upon such sale, to a tank in which fuel is kept exclusively for marine purposes, and (ii) a statement, prescribed as to form by the Commissioner of Revenue Services and bearing notice to the effect that false statements made under this section are punishable, that such fuel is used exclusively for marine purposes, is submitted by such person to the distributor.

(c) Any person who owns or operates a vehicle that runs only upon rails or tracks and that is properly registered with the federal government, in accordance with the provisions of Section 4222 of the Internal Revenue Code of 1986, or any subsequent corresponding internal revenue code of the United States, as amended from time to time, shall be exempt from paying to a distributor the motor fuels tax imposed pursuant to this section for use in such vehicle.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Three years from the date the tax return is due.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Three years from the date the tax return is due if filing an amended return. If an end user is seeking refund for nontaxable use, they have until May 31<sup>st</sup> of the following year to make a refund claim.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both.

**Section 41- Does your state accept electronic BOLs?**

No

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

**Section 43-Are tax return templates and instructions available on your state’s website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Connecticut may require all taxpayers to pay and or file fuel tax returns electronically. Chapter 228g Section: 12-685 – 12-691. Since September 2021 Connecticut has allowed taxpayers to transition from filing paper returns to filing return electronically. See web links to both paper forms and for electronic instructions. For more information, please contact either Pete Gacek or Christopher Woods

<https://portal.ct.gov/drs/drs-forms/forms/drs-forms>  
<https://portal.ct.gov/drs/myconnect/excise-file-uploads>

Pete Gacek  
Tax Unit Manager (Excise)  
Phone: 860-541-7556  
[Pete.Gacek@ct.gov](mailto:Pete.Gacek@ct.gov)

or Christopher Woods  
Excise Audit Supervisor  
Phone: 860-541-7616  
[Christopher.Woods@ct.gov](mailto:Christopher.Woods@ct.gov)



# **STATE OF DELAWARE**

## **Section 1-Contact Information**

**Agency:** Delaware Division of Motor Vehicles/Transportation Services

**Name:** Holly Postle; Tax Auditor Manager

**Street Address:** 303 Transportation Circle

**City, State, Zip Code:** Dover, DE 19901

**Phone Number:** (302) 744-2710

**Fax Number:** (302) 739-2143

**E-mail Address:** [DOT.AutoCompliance@delaware.gov](mailto:DOT.AutoCompliance@delaware.gov); [Holly.Postle@delaware.gov](mailto:Holly.Postle@delaware.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Title 30, Chapter 51 (Subchapter I Gasoline, Subchapter II-Special Fuel, Subchapter IV-Aviation Jet Fuel)

Title 2, Section 2244 Motor Fuel Tax Regulations

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Supplier

**Aviation Jet Fuel:** Supplier

**Aviation Jet Fuel:** Taxable (5 cents)

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: N/A

Point of Taxation: Delaware is not a rack state; Delaware taxes at the Distributor/Supplier level.

## **Section 5-State Tax Rates**

**Gasoline:** 23 cents per gallon

**Diesel:** 22 cents per gallon

**Aviation Gasoline:** 23 cents per gallon

**Aviation Jet Fuel:** 5 cents per gallon

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

#### **MOTOR FUEL DISTRIBUTOR TAX REPORTING INSTRUCTIONS**

Round all gallon figures to the nearest whole gallon. All gallon figures must be reported at gross gallons. Sections 5118 & 5138 has about rules for reports required by the chapter:

## **TITLE 30**

### **State Taxes**

### **Commodity Taxes**

#### **CHAPTER 51. Motor Fuel Tax**

##### **Subchapter I. Gasoline**

§ 5118. Rules and regulations.

The Department of Transportation may prescribe reasonable rules and regulations for the carrying out of this chapter and all forms of reports required by this chapter.

30 Del. C. 1953, § 5118; [54 Del. Laws, c. 107](#); [57 Del. Laws, c. 741, §§ 24B, 24C](#); [59 Del. Laws, c. 216, § 2](#); [68 Del. Laws, c. 290, § 184](#);

##### **Subchapter II. Special Fuel**

§ 5138. Administration.

(a) *Rules and regulations.* — The Department of Transportation shall enforce this chapter, and may prescribe, adopt and enforce reasonable rules and regulations relating to the administration and enforcement thereof.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Delaware Department of Natural Resources and Environmental Control (DNREC) and Weights & Measures – Delaware Department of Agriculture handle any questions regarding section 6.

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

No updates.

## **Section 8-State Collection Allowance**

We do not have any collection allowance.

## **Section 9-State Diversion Requirements**

**Diversion Required:** No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** N/A

**What diversion registry program do you use?** None

**What products are subject to the diversion requirement?** None required statutorily.

### **Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Must be licensed to import or export. No refund would be needed. Tax that was erroneously or illegally collected may be refunded if the company exported the fuel and was not licensed subject to approval. Penalties may apply.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? No If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**Any Additional Comments?** No specific laws or regulations apply to diversions.

## **Section 10-Alternative Fuels Incentives and Laws**

### **Delaware's Electric Vehicle Infrastructure Plan**

DNREC and DelDOT are working together to plan Delaware's future electric vehicle infrastructure. The Electric Vehicle Infrastructure Plan they will create will map out future charging needs. It will address not only highway charging, but also charging in neighborhoods and commercial areas. And it will help direct future programs, including new funding opportunities through the federal Bipartisan Infrastructure Bill.

### **State Incentives**

The state's cash rebate program offers \$2,500 for battery electric vehicles worth \$50,000 or less and up to \$1,000 for plug-in electric hybrid vehicles. There are also additional rebates available

for propane, natural gas and bi-fuel vehicles.

Used electric vehicles are also eligible for a credit of up to \$4,000, or 30% of the purchase price, provided that the car is less than \$25,000, more than 2 years old and is being sold by its original owner.

For assistance or if you have additional questions please contact:

Delaware Division of Climate, Coastal and Energy

100 W. Water Street

Dover, DE 19904

302-735-3480

Or email [DNREC.Transportation@delaware.gov](mailto:DNREC.Transportation@delaware.gov)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.22/gallon	B100 is taxable	Subject to Hazardous Substance Tax	\$0.23/gallon	Ethanol is taxable when blended with unfinished gasoline	None

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. You need to have a Special Fuel Supplier License. The current tax rate is \$0.22/gallon.	100% denatured Ethanol is considered a motor fuel blending component and as such there are no licensing or reporting requirements to buy or sell this product.
The B100 in dyed diesel is not taxable.	Ethanol becomes taxable when mixed with gasoline or sold into a supply tank of a motor vehicle. Current tax rate is \$0.23/gallon. Greater mixture of 50% or

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Taxable as special fuel	<b>One gallon of LNG = 5.66 pounds (Administrative –no specific law or regulation enacted)</b>
<b>E85</b>	Taxable as motor fuel	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	None	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	Taxable as motor fuel	<b>Not Applicable</b>
<b>Hydrogen</b>	None	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Taxable as special fuel	<b>One gallon of LNG = 6.06 pounds (Administrative –no specific law or regulation enacted)</b>
<b>LPG (Liquefied Petroleum Gas) – Propane</b>	Taxable as special fuel	<b>One Pound of LP Gas = .2359 gallons, One gallon of LP Gas = 4.239 pounds</b>
<b>Methanol or “M85”</b>	Taxable as special fuel	<b>Not Applicable</b>
<b>Other</b>		

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Blendstock that is not blended with unfinished gasoline is not reportable or taxable.</b>		

**Section 16-How does your state handle contaminated fuel?**

The Motor Fuel Tax Administration Section is only responsible for excise taxes. Effective July 1, 2018, a Delaware licensed Motor Fuel Distributor and/or Special Fuel Supplier may report product downgrades on the disbursement schedule #10 which may be the result of a fuel contamination or off spec product which may need to be transferred out of a Delaware motor fuel or special fuel bulk tank.

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Motor Fuel Distributor Special Fuel Supplier Aviation Jet Fuel Supplier Special Fuel User/Dealer Common Carrier	On or before the 25th day of the next succeeding calendar month following the monthly period to which it relates.	On or before the 25th day of the next succeeding calendar month following the monthly period to which it relates.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

The State of Delaware considers the postmarked date to determine if a tax return is filed timely.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

The State of Delaware does not currently have electronic filing of tax returns. We are currently working on an RFP.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

When the twenty-fifth day of a given month falls on a weekend or state holiday, the due date of the statement and tax is the next following business day of the State.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Transporter	If any carrier fails to file a report as required by this section, a penalty of \$5.00 per business day shall accrue until said report is filed up to a maximum amount of \$25 for each report; however, the Department may waive all or part of the penalty if it is established to the satisfaction of the Department that failure to file the report was not with intent to violate the law.	
Special Fuel	<p>In case any special fuel licensee refuses or fails to file a report required by this chapter within the time prescribed by subsection (b) of this section, there is hereby imposed a penalty of \$5.75 per business day of this State up to a maximum of \$28.75 for each such report. For each report filed more than 5 business days late, the penalty shall be \$28.75 or 12 percent of the tax due, whichever is greater, for each such report. Any tax due shall also bear interest at the rate of 1 percent per month, or fraction thereof, until same is paid; provided, however, that if any such licensee shall establish by a fair preponderance of evidence that the failure to file a report within the time prescribed was due to reasonable cause and was not with intent to violate the law, the Department may waive all or any part of the penalty provided by this subsection.</p> <p><i>Failure to pay tax.</i> — When a licensee files a report but fails to pay in whole or in part the tax due hereunder, there shall be added to the amount due and unpaid, interest at the rate of 1 percent per month, or fraction thereof, from the date such tax was due to the date of payment in full thereof.</p> <p>(g) <i>Deficiency.</i> — If it be determined by</p>	If a check received in payment of moneys due the Department under this subchapter shall be returned to the Department by the maker's bank because of insufficient funds, closed account, stopped payment or any other reason, there shall be imposed upon the maker a service charge of \$10, and interest at the rate of 1 percent per month, or fraction thereof, shall accrue on the tax from the date such tax was due to be paid.

	the Department of Transportation that the tax reported by any licensee is deficient, the Department shall proceed to assess the deficiency on the basis of information available to the Department and there shall be added to this deficiency interest at the rate of 1 percent per month, or fraction thereof, from the date such tax was due to the date of payment in full thereof.	
Distributor	A penalty of \$5.75 per business day shall accrue up to a maximum of \$28.75 for each report.	A penalty of \$5.75 per business day shall accrue up to a maximum of \$28.75 for each report.
	For each report filed more than 5 business days late, the penalty shall be \$28.75 or 12 percent of the tax due, whichever is greater, for each such report. Any tax due shall also bear interest at the rate of 1 percent per month, or fraction thereof, until same is paid; however, the Department may waive all or any part of the penalty and interest when it is established to the satisfaction of the Department that failure to file the monthly report or pay the tax by the twenty- fifth day of the month was not with intent to violate the law.	For each report filed more than 5 business days late, the penalty shall be \$28.75 or 12 percent of the tax due, whichever is greater, for each such report. Any tax due shall also bear interest at the rate of 1 percent per month, or fraction thereof, until same is paid; however, the Department may waive all or any part of the penalty and interest when it is established to the satisfaction of the Department that failure to file the monthly report or pay the tax by the twenty-fifth day of the month was not with intent to violate the law.
		If any distributor shall be in default for more than 10 days in payment of any taxes and/or penalties thereon payable under the terms of this chapter, the Department of Transportation may issue a warrant under its official seal, and signed by its Chairperson, directed to the sheriff of any county of the State, commanding the sheriff to levy upon and sell the goods and chattels of such distributor, without exemption, found within the sheriff's jurisdiction, for the payment of the amount of such delinquency, with the added penalties and interest and the cost of executing the warrant, and to return such warrant to the Department and to pay the Department the money



		<p>collected by virtue thereof within the time to be therein specified, which shall not be less than 20 nor more than 60 days from the date of the warrant. The sheriff, to whom any such warrant is directed, shall proceed upon the same in all respects and with like effect and in the same manner as prescribed by law in respect to executions issued against the goods and chattels upon judgments by a court of record, and shall be entitled to the same fees for services in executing the warrant, to be collected in the same manner; provided, that nothing in this section shall be construed as forfeiting or waiving any rights to collect such taxes by an action upon any bond that may be filed with the Department of Transportation under the provisions of this chapter, or by suit or otherwise, and in case such suit, action or other proceeding shall have been instituted for the collection of said tax, such suit, action or other proceeding shall not be construed as waiving any other right herein provided.</p>
		<p>a) Whoever violates any provision of this chapter (51), a penalty for which is not otherwise provided, or fails or refuses to pay the tax imposed by this chapter, or engages in business in this State as a distributor or retailer without being the holder of an uncanceled license to engage in such business, or makes any false statement in any application, report or statement required by this chapter, or refuses to permit the Department of Transportation or any deputy to examine records as provided by this chapter, or fails to keep proper records of quantities of gasoline received, produced, refined, manufactured, compounded, sold, used and/or delivered in this State as required by this chapter, or collects or causes to be</p>

		<p>repaid to any person any tax not being entitled to the same under the provisions of this chapter shall, for the first offense, be fined not more than \$500, or imprisoned not more than 6 months, or both, and for a second and any subsequent offense shall be fined not more than \$1,000, or imprisoned not more than 1 year, or both. In addition to the penalty imposed in conformity to the above, the defendant shall be required to pay all taxes and penalties due the State under this chapter and/or pay to the State any other moneys wrongfully withheld or illegally refunded. Each day or part thereof during which any person shall engage in business as a distributor or retailer without being the holder of an uncanceled license shall constitute a separate offense within the meaning of this section.</p> <p>(b) Whoever refuses or neglects to make any statement, report or return required by this chapter (51), or knowingly makes, or aids or assists any other person in making a false statement in a report to the Department of Transportation or in connection with an application for refund of any tax, or sells any gasoline purchased by such person from any person other than a duly licensed distributor upon which the tax herein imposed shall not be paid shall, when no other penalty of fine and/or imprisonment is imposed by this chapter, be fined not less than \$100 nor more than \$1,000, or imprisoned not less than 30 days nor more than 1 year, or both. The Superior Court of this State shall have exclusive jurisdiction over violations of this chapter.</p>
Jet Fuel	If a licensed aviation fuel supplier refuses or fails to file a report required under subsection (a) of this section within the time prescribed by subsection (b) of this section, the Department shall impose a penalty of	If a licensed aviation fuel supplier refuses or fails to pay the tax due under subsection (d) of this section within the time prescribed by subsection (b) of this section, the tax due bears interest at the rate of 1% per month, or fraction

	\$5.75 per business day of this State up to a maximum of \$28.75 for each such report. For each report filed more than 5 business days late, the Department shall impose a penalty of \$28.75 or 12% of the tax due, whichever is greater, for each such report.	thereof, from the date the tax was due until the tax is paid in full.
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**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

The State of Delaware treats E85 as a motor fuel effective July 1, 2018.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, Delaware does require common carrier/transporter returns. The requirements are as follows: Every railroad company, suburban or interurban railroad company, pipeline company, water transportation company and common carrier transporting gasoline, either in interstate or in intrastate commerce, to points within this State, and every person, except distributors, transporting gasoline by whatever manner to a point in this State from any point outside this State shall report, under penalty of perjury, to the Department of Transportation on forms prescribed by the Department all deliveries of gasoline so made to points within this State.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Delaware is not a rack state. Delaware taxes at the Distributor/Supplier level. There are no specific laws or regulations applying to flash title transactions.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?**

**Please provide the Statute that supports that deferral.**

N/A

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change?**

**Is tax imposed on volume or value and when is it collected?**

There is no sales tax imposed in Delaware.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

A surety bond must also be provided by all licensed companies to protect the State against any unpaid tax liabilities (required to be approximate the sum of 3 times the average monthly tax due). These bonds range from a minimum of \$5,000 to a maximum of \$200,000 and may have to be increased periodically if their operations change. The Motor Fuel Office continuously monitors the surety bond coverage and requires the bonds to be increased as needed.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10. Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier	X	1,2,3,4,5,7,8,9,10
Distributor	X	1,2,3,4,5,7,8,9,10
Common Carrier		6
Special Fuel User/Dealer	X	4 (Special Fuel Dealer only)
Jet Fuel	X	1,2,3,4,5,7,8,9,10

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Although Delaware does not tax at the rack, there is one time Delaware will collect early in the following case for estimated taxes: Delaware licensed Distributors averaging monthly sales and/or use of 500,000 or more gallons over a 12-month period ending April 30 each year shall, pay to the Department of Transportation in June each year the tax or taxes on 75% of the gallons of gasoline estimated to be sold and/or used during said month of June. The balance of the tax due on the actual sales and/or use in June shall be paid on or before the twenty-fifth day of the next calendar month.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Our returns are filed by paper only. We only require the cover page and schedules that have changed.

**Section 34-Does your state allow credit and rebills on the current month report?**

No

**Section 35-How many days are allowed to report late loads?**

Delaware has three years by law for collection. We will accept amended returns going back this far. However, if a company forgot to add 100 gallons for the month of April on to their schedules 2 or 6, then the company is permitted to enter it on the May return. However, for any period longer than the next month (such as if a company underreported 6 months of tax-free sales), the company is required to submit an amended return.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Delaware statute currently does not define individual data elements.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Delaware Title 30, Chapter 51

§ 5111 Exempt sales of gasoline.

(a) The tax imposed by this chapter shall not apply to gasoline:

(1) Sold and delivered to and used by the United States or any of the governmental agencies thereof;

(2) Sold or delivered under the protection of the interstate commerce clause of the Constitution of the United States;

(3) Sold by a distributor to another distributor;

(4) Sold and delivered to and used by the State and every political subdivision thereof;

(5) Sold and delivered to and used by volunteer fire companies in any of their official vehicles and veteran or civic organizations in their ambulances when such vehicles are used on a voluntary, nonprofit basis. The fuel supply tanks maintained under this section must be for the exclusive use of said vehicles.

(b) The Department of Transportation may, for purposes of identification of the above agencies or organizations, require that an exemption certificate issued by the Department of Transportation be on file with the Department and the supplier from which the fuel is purchased.

§ 5133 Exemptions special fuel.

(a) The tax imposed by this chapter shall not apply to special fuel sold and delivered to and used by the following persons:

(1) The United States or any governmental agencies thereof;

(2) The State and every political subdivision thereof;

(3) Volunteer fire companies in any of their official vehicles and veterans' or civic organizations in their ambulances when such ambulances are provided on a voluntary basis.

§ 5172 Aviation jet fuel tax.

(b) *Exemptions.* — The tax imposed by this subchapter does not apply to aviation jet fuel sold and delivered to and used by any of the following persons or for any of the following circumstances:

- (1) The United States government, or any department, division, or agency of the United States government.
- (2) The government of this State, or any political subdivision of this State.
- (3) Aerial application uses within this State.
- (4) Purpose of economic development and job creation in the aviation industry in this State. A temporary exemption for a period of time not exceeding more than 5 years may be granted under this paragraph (b)(4). An exemption under this paragraph (b)(4) must be approved by the Council on Development Finance and the Director of Small Business under §§ 8705A and 8707A of Title 29 and § 5178 of this title.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Delaware has three years by law for collection. We will accept amended returns going back this far.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

All gasoline applications for refunds must be filed with the Department of Transportation within 12 calendar months from the date of purchase or invoice of the gasoline with respect to which a tax refund is claimed. Gasoline can be refunded to persons for the purpose of operating stationary gas engines, tractors, motorboats, airplanes or aircraft, or any other purpose except in motor vehicles licensed, or subject to being licensed, for operation upon any of the public highways of the State.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

The gasoline refund application is a form available at our web site: <https://www.dmv.de.gov/>

**Section 41- Does your state accept electronic BOLs?**

Yes, we accept electronic BOL's for amended returns if we trust the reliability of the document.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

We accept either origin sales or delivery date on BOL's, however common carrier information or invoices may be requested during audit.

The gasoline refund application is a form available at our web site: <https://www.dmv.de.gov/>

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes

<https://dmv.de.gov/TransServices/MFSF/index.shtml?dc=mfsfTaxRtnForms>



# STATE OF DISTRICT OF COLUMBIA

## **Section 1-Contact Information**

**Agency:** Office of Tax and Revenue

**Name:** Marilou Mintac

**Street Address:** 1101 4<sup>th</sup> Street, SW

**City, State Zip Code;** Washington D.C. 20024

**Phone Number:** 202-442-6584

**Fax Number:** 202-442-6883

**E-mail Address:** marilou.mintac@dc.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

DC Code Section 47-2301

## **Section 3-State Point of Taxation**

**Gasoline:** First import

**Diesel:** First import

**Aviation Fuel:** First

import **Jet Fuel:** First

import

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: § 47-2302(3) - importer” means any person who brings into, or who produces, refines, manufactures, or compounds, in the District of Columbia motor vehicle fuel to be used by him or to be sold, kept for sale, bartered, delivered for value, or exchanged for goods and § 47-2302(12) - “user” means anyone other than an importer or distributor who sells, uses, or otherwise disposes of, in the District of Columbia, motor-vehicle fuel upon which the tax imposed by this subchapter has not been paid.

Point of Taxation: § 47-2301- (a)(1) The District shall levy and collect a tax on motor

vehicle fuels equal to 8.0% of the average wholesale price of a gallon of regular unleaded gasoline for the applicable base period, excluding federal and state taxes, sold or otherwise disposed of by an importer or by a user, or used for commercial purposes.

### **Section 5-State Tax Rates**

**Gasoline:** \$.235 per gallon

**Diesel:** \$.235 per gallon

**Aviation Fuel:** \$.235 per gallon

**Jet Fuel:** \$.235 per gallon

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

The District of Columbia calculate tax based on the total number of gallons sold.

§47-2304 - Each importer engaged in the District of Columbia in the sale or other disposition or use of motor vehicle fuel shall render to the assessor of the District of Columbia, on or before the 25th day of each month, on forms prescribed, prepared, and furnished by the said Assessor, a sworn report of the total number of gallons of motor vehicle fuel within the District of Columbia sold or otherwise disposed of by such importer or used by him in a motor vehicle operated for hire or for commercial purposes, and of the number of gallons of such fuel so sold or otherwise disposed for exportation from and resale without the District of Columbia, during the preceding calendar month. Such report shall be sworn to one of the principal officers in case of a domestic corporation, by the resident general agent, or attorney in fact, or by a chief accountant or officer in case of a foreign corporation, or by the managing agent or owner in case of a partnership or association.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

N/A

## **Section 7-Rate Updates**

### **Please list any rate updates for your state:**

Effective October 1, 2013, under newly-enacted legislation, the District is required to levy and collect a tax on motor vehicle fuels equal to 8.0 percent of the average wholesale price of a gallon of regular unleaded gasoline. The average wholesale price is to be calculated for twice a year **and in no case shall the price computed be less than \$2.94**. The average wholesale price of a gallon of motor vehicle fuel will be computed by using the monthly Central Atlantic

(PADD 1B) Regular Gasoline Wholesale/Resale Price compiled by the US Energy Information Administration for the six-month periods ending in June and December of each year.

### **DC Code §47- 2301 (a-1)**

(1) The District shall levy and collect a tax and a local transportation surcharge (“surcharge”) on motor vehicle fuels sold or otherwise disposed of by an importer or by a user or used for commercial purposes.

(2) As of October 1, 2020:

(A) The rate of tax shall be \$.235 per gallon; and

(B) The surcharge shall be \$.053 per gallon;

(3) As of October 1, 2021, the surcharge shall be \$.103 per gallon, increased annually, beginning with the fiscal year commencing on October 1, 2022, by the cost-of-living adjustment.

(4) Effective Tax Year 2023 (beginning October 1, 2022) the per gallon local transportation surcharge amount will be increased to \$0.107

## **Section 8-State Collection Allowance**

None

## **Section 9-State Diversion Requirements**

Diversion Required: No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

n/a

## **What Diversion registry program do you use?**

n/a

### **What products are subject to the diversion requirement?**

n/a

### **Diversion Requirements**

#### **What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Supplier must request refund.

#### **Do you require the Supplier/Distributor to rebill and give a credit for the diverted load?**

Yes

#### **If not required, do you allow the Supplier/Distributor to rebill and give a credit for the diverted load?**

Any Additional Comments?

### **Section 10-Alternative Fuels Incentives and Laws**

The District of Columbia is the proud home of the Washington Metropolitan Clean Cities Coalition. Coordinators contact information is listed in the Points of Contact section.

### **State Incentives**

**Hybrid Electric Vehicle (HEV) and Alternative Fuel Vehicle (AFV) Tax Exemption** The District of Columbia Department of Motor Vehicles Reform Amendment Act of 2004 allows for the exemption of vehicle excise taxes for owners of HEVs, AFVs, and lean-burn vehicles, provided that the vehicle qualifies for the federal tax credit under the Energy Policy Act of 2005. Additionally, vehicle registration fees for qualified HEVs and AFVs are reduced to \$36 per year. The reduced rate applies to the first two years of registration and only the original purchaser is eligible.

### **Alternative Fuel Vehicle Exemption from Driving Restrictions**

Clean fuel vehicles are exempt from time-of-day and day-of-week restrictions and commercial vehicle bans, in fleets operating at least 10 vehicles in an ozone non-attainment area, as defined by the Clean Air Act. This exemption does not permit unrestricted access to High Occupancy Vehicle lanes, except for covered fleet vehicles that have been certified by the Environmental Protection Agency as Inherently Low Emission Vehicles (ILEV) and continue to be in compliance with applicable ILEV emission standards. For this exemption, a clean fuel vehicle is a motor vehicle that has been certified to meet a set of emission standards that classifies it as a clean fuel vehicle.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$.235/gallon	B100 is taxable	None	\$.235/gallon	Ethanol is taxable	None

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$.235/gallon.	Ethanol is treated like gasoline. The rate is \$.235/gallon. Sales to licensed importers are not tax free.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>		
<b>E85</b>		<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>		
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>		
<b>LPG (Liquefied Petroleum Gas)</b>		
<b>Methanol or “M85”</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

N/A

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable

**Section 16-How does your state handle contaminated fuel?**

Not Applicable

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
FR-400M	25 <sup>th</sup> Day of each month	25 <sup>th</sup> Day of each month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Both are considered as timely filed

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Payment received anytime on the due date is considered timely

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If the due date falls on the weekend or holiday, the return and the payment is due on the next business day

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
FR-400M		Rate of 5% but not more than 25% of the aggregate

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

N/A

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

N/A

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

N/A

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Diesel and dyed diesel are subject to sales tax if used other than the purpose of motor vehicle.

Rate is calculated based on the number of gallons sold or used. Tax is imposed on the volume and is collected on the 25<sup>th</sup> day of each month.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

1. Must register with motor fuel tax.
2. Must have a minimum bond amount of \$5,000 up to the maximum of \$100,000

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

1. Import
2. Export
3. Sell at Wholesale
4. Sell at Retail
5. Fuel in Terminal
6. Transport Fuel
7. Operate IRS Terminal
8. Blends Fuel
9. Refine Fuel
10. Stores Fuel at IRS Terminal (Ex-Star Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1,3,8,9
Distributor	X	1,3,8,9



**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

In the District of Columbia, the motor fuel is 100% online filing. When you file an amended return, file the entire return including the changes.

**Section 34-Does your state allow credit and rebills on the current month report?**

No

**Section 35-How many days are allowed to report late loads?**

N/A

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

DC Code 47-2305 – Invoices shall be rendered by importers and distributors to all purchasers from them of motor vehicle fuel within the District of Columbia except in case of retail sales. Said invoices shall contain a statement, printed thereon in a conspicuous place, that the liability to the District of Columbia for the tax herein imposed has been assumed by a licensed importer named in said statement and that the importer has paid the tax or will pay it on or before the 25<sup>th</sup> day of the calendar month next succeeding the purchase.

**Section 37-What entities are exempt / excluded in your state?  
Please cite the statutory reference.**

DC Code §47-2301 – Federal Government and DC Government

DCMR Title 9-807 – Sales of motor fuel to the United States Government

DCMR Title 9-808 - Sales of motor fuel to the Foreign Government and agencies.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

The District of Columbia does not have a statute of limitations to file amendments to remit additional tax.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

DC Code § 47-4304. Limitations on credit or refund

A credit or refund of an overpayment of a tax imposed by this title shall not be allowed unless the taxpayer files a claim within the later of 3 years from the due date of the return or 3 years from the date that the tax was paid.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

A refund due to amendments of motor fuel is reported on the amended return.

**Section 41- Does your state accept electronic BOLs?**

Yes

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Go to MyTax.dc.gov. portal. Log into your motor fuel account then select file a return then on the return you will see the instruction on the left side.

# STATE OF FLORIDA

## **Section 1-Contact Information**

**Agency:** Florida Department of Revenue

**Name:** Michael Tay

**Street Address:** 2450 Shumard Oak Blvd.

**City, State Zip Code:** Tallahassee, FL, 32399

**Phone Number:** 850-717-7342

**Fax Number:** 850-922-8426

**E-mail Address:** michael.tay@floridarevenue.com

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Chapter 206, Florida Statutes

Chapter 336, Florida Statutes

Chapter 95, Florida Statutes

12B-5, Florida Administrative Code

## **Section 3-State Point of Taxation**

**Gasoline:** Removal from an IRS registered terminal by a licensed position holder, removal from a refinery by a terminal supplier, exchange receiver at the rack, import into Florida outside the bulk transfer system, ethanol production in Florida, and blending outside the bulk transfer system.

**Diesel:** Removal from an IRS registered terminal by a licensed position holder, removal from a refinery by a terminal supplier, exchange receiver at the rack, import into Florida outside the bulk transfer system, biodiesel production in Florida, and blending outside the bulk transfer system.

**Aviation Fuel:** Removal from an IRS registered terminal by a licensed position holder, removal from a refinery by a terminal supplier, exchange receiver at the rack, import into Florida outside the bulk transfer system, and blending outside the bulk transfer system.

**Kerosene:** Removal from an IRS registered terminal by a licensed position holder, removal from a refinery by a terminal supplier, exchange receiver at the rack, import into Florida outside the bulk transfer system, and blending outside the bulk transfer system.

**Natural Gas Fuels (CNG/LNG):** Retail - Exempt until 01/01/2026.

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: The Florida Statutes do not define first receiver.

Statutory Reference (Point of Taxation)

Motor Fuel – 206.413, Florida Statutes

Diesel Fuel – 206.87, Florida Statutes

Aviation Fuel/Kerosene – 206.9835, Florida Statutes

Point of Taxation: There are multiple points of taxation in Florida. See below for a list of these points.

1. Every position holder shall pay taxes on the removal of fuel from a terminal as described by s. 206.41. In an exchange agreement between two licensed terminal suppliers, the receiving party shall be liable as the position holder if the receiving party is identified to the terminal operator by the delivering party.
2. Every terminal supplier shall pay taxes on the removal of fuel from a refinery as specified by s. 206.41.
3. Every importer shall pay taxes on the entry into this state as specified by s. 206.41.
4. Any person that produces blended fuel outside the bulk transfer or terminal system shall pay taxes as provided for by s. 206.41.
5. Any person using fuel upon which the tax required by s. 206.41 has not been paid and which is not exempted by this part is liable for the backup tax imposed by s. 206.873.
6. The seller of fuel is jointly and severally liable for the backup tax imposed by s. 206.87 if the seller knows or has reason to know that the fuel will be used in any nonexempt use.
7. The terminal operator is jointly and severally liable for the taxes imposed by s. 206.41 if:
  - The position holder with respect to the fuel is a person other than the terminal operator and is not a terminal supplier; or
  - The terminal operator has not met the conditions specified under paragraph (h).
8. A terminal operator is not liable for taxes imposed by s. 206.41 if at the time of the removal all the following apply:
  - The terminal operator is a terminal supplier.
  - The terminal operator has an unexpired notification certificate from the position holder as required by the Internal Revenue Service.
  - The terminal operator has no reason to believe that any information in the certificate is false.
9. A licensed terminal supplier who is a position holder in a terminal located outside of this state or a seller transferring ownership of fuel outside of this state destined for this state agrees to be subject to the laws of this state and comply with the provisions of this chapter in the same manner as if the fuel were withdrawn from a terminal in this state or the transfer of ownership occurred in this state.

10. Motor Fuel Only (Gasoline Equivalent) - The taxes imposed by s. 206.41(1)(d), (e), and (f) above the annual minimum shall be collected and remitted by licensed wholesalers and terminal suppliers upon each sale, delivery, or consignment to retail dealers, resellers, and end users.
11. Bio-diesel producer in the state of Florida.

### **Section 5-State Tax Rates**

**Gasoline:** Section 206.41, Florida Statutes

**Diesel:** Section 206.87, Florida Statutes

**Aviation Fuel:** Section 206.9825, Florida Statutes

**Jet Fuel:** Section 206.9825, Florida Statutes

**Natural Gas Fuels:** Section 206.9955, Florida Statutes

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Fuel taxes are calculated on net gallons pursuant to ss. 206.41(1), 206.87(1), F.S.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Inspection Fee – The fee is administered under Chapter 206.41(1)(h), Florida Statutes. The fee equals \$.00125 per gallon and is assessed on motor fuel.

Environmental Fees (Inland Protection, Water Quality, and Coastal Protection) - The fees are administered under Chapters 206.9935, Florida Statutes. The total environmental fee is \$.02071 per gallon.

### **Section 7-Rate Updates**

2024 Rate Update (includes state and local option taxes)

Fuel –

- Motor Fuel (gasoline, fuel grade ethanol, and gasohol): State = \$.21 per gallon,  
Inspection Fee = \$.00125 per gallon / Local Option = varies by county – see link below)

[https://floridarevenue.com/taxes/Documents/fuel\\_charts/24B05-02\\_chart.pdf](https://floridarevenue.com/taxes/Documents/fuel_charts/24B05-02_chart.pdf)

- Diesel: State = \$.21 per gallon / Local Option = \$.153 per gallon)

- Aviation Fuel (includes jet fuel, kerosene, and aviation gasoline): \$.0427 per gallon
- ❖ All three products, except E00 and B00 are liable for pollutants tax of \$.02071 per gallon (includes inland protection, water quality, and coastal protection).

### **Section 8-State Collection Allowance**

The terminal supplier or importer shall deduct from the amount of tax shown by the report to be payable an amount equivalent to .2 percent of the tax on motor fuels imposed by s. 206.41(1)(a), (b), (c), and (g), which deduction is hereby allowed to the terminal supplier or importer on account of services and expenses in complying with the provisions of the law.

In addition to the allowance authorized by paragraph (a), every terminal supplier and wholesaler shall be entitled to a deduction of 1.1 percent of the tax imposed under s. 206.41(1)(d) and the first 6 cents of tax imposed under s. 206.41(1)(e), which deduction is hereby allowed on account of services and expenses in complying with the provisions of this part. This allowance shall not be deductible unless payment of the tax is made on or before the 20th day of the month as herein required.

### **Section 9-State Diversion Requirements**

**Diversion Required: Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

206.416 Change in state destination.

(1)(a) A terminal supplier or position holder may sell motor or diesel fuel, other than by bulk transfer, a portion of which fuel is destined for sale or use in this state and a portion of which fuel is destined for sale or use in another state or states. However, such sale shall be documented by the terminal supplier or position holder by issuing shipping papers designating the state of destination for each portion of the fuel.

(b) A licensed terminal supplier, wholesaler, importer, or exporter who intends to sell or use motor fuel in this state which was purchased pursuant to shipping papers bearing an out-of-state destination shall obtain a diversion number issued by the department which shall be manually recorded by the terminal supplier, wholesaler, importer, or exporter on the shipping paper prior to importing the fuel into this state. The terminal supplier, wholesaler, importer, or exporter is liable for reporting and remitting all applicable taxes on fuel with the return required pursuant to s. 206.43.

(c) If a wholesaler or exporter diverts to this state, within 3 consecutive months, more than six loads of fuel which were originally destined for allocation outside the state, the wholesaler or exporter must register as an importer within 30 days after such diversion. A wholesaler or exporter who violates this paragraph is subject to the penalties prescribed under ss. 206.413 and 206.872.

(2)(a) Any person who owns or possesses motor fuel in this state bearing an out-of-state destination on the shipping paper as to which a diversion number has not been issued by the department and manually recorded on the shipping paper, and who cannot prove that the tax imposed under the part has been paid, shall be subject to a specific penalty of \$1 per gallon based on the maximum capacity of the product storage tank of the vehicle, plus all applicable taxes, penalties, and interest otherwise imposed under this part on said fuel.

(b) In order to seek relief from any penalty assessed under this subsection, a person may, through the informal protest procedure established under s. 213.21 and the rules of the department, provide the department with evidence that the error was made despite a good faith effort to properly account for and report fuel shipments and taxes. Evidence may include proof of a written or standing order documenting the correct destination placed prior to the shipment, or evidence that demonstrates that the error is not a continuing event.

**What diversion registry program do you use?**

Fueltrac (Trac III Systems, LLC)

**What products are subject to the diversion requirement?**

All reportable products defined as motor, diesel, or aviation fuel.

**Diversion Requirements**

Before any fuel purchased by an exporter may be sold in Florida, exporter must call the Department of Revenue and obtain a diversion number. The number must be provided to the carrier and the shipping document changed manually. To divert fuel the exporter must be licensed as a wholesaler. If the person who diverts the fuel fails to notify the terminal supplier or position holder timely enough to obtain a corrected invoice, the person diverting the product shall be liable to report and remit all applicable taxes. Failure to obtain a diversion number shall be subject to a specific penalty of \$1.00 per gallon based on the maximum capacity of the product storage tank of the vehicle plus all applicable taxes, penalties and interest otherwise imposed.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Company who exported the product.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Distributor - Rebill

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? NA**

**Any Additional Comments?**

The owner of the fuel must report and pay tax on diversions of fuel originally destined for a state other than Florida but delivered in Florida. Terminal suppliers will not rebill wholesalers for the Florida tax.

A licensed terminal supplier, wholesaler, importer, or exporter who intends to sell or use motor fuel in this state which was purchased pursuant to shipping papers bearing an out-of-state

destination shall obtain a diversion number issued by the department which shall be manually recorded by the terminal supplier, wholesaler, importer or exporter on the shipping paper prior to importing the fuel into this state. The terminal supplier, wholesaler, importer or exporter is liable for reporting and remitting all applicable taxes on fuel with the return required pursuant to S.206.43.

A licensed exporter shall not divert for sale or use in this state any fuel designated to a destination outside this state without first obtaining a diversion number from the department as specified in S. 206.416(1)(b) and manually recording that number on the shipping paper prior to diversion of fuel for sale or use in this state.

## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives**

1. **Compressed natural gas (CNG), liquefied natural gas (LNG), or a combination of the two for use in a motor vehicle** - Chapter 206, Part V, Florida Statutes exempts CNG, LNG, or a combination of the two from fuel or sales tax until January 1, 2026 if the fuel is placed into the supply system of an internal combustion engine.
2. **Biodiesel fuel manufactured by a public or private secondary school** is exempt from the diesel fuel excise tax and the associated registration requirements. To qualify for the exemption, total annual production of biodiesel must be less than 1,000 gallons and may only be used by the school, its employees, or its students. (Reference Florida Statutes 206.874)

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol (Fuel Grade)</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.374 per gallon	B100 is taxable	NA	State - \$.21 per gallon plus local option tax	Fuel grade ethanol is taxable	Subject to Pollutants (\$.02071 per gallon) Tax and Inspection Fee (\$.00125 per gallon)



## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 has the same registration, reporting, and taxing requirements as diesel fuel. Tax is due upon removal from the loading rack or upon importation if by means other than the bulk transfer system. The current tax rate is \$0.374 per gallon.	Fuel grade ethanol (denaturant = 1.97% or greater) has the same registration, reporting, and tax requirements as motor fuel. Tax is due upon removal from the loading rack or upon importation if by means other than the bulk transfer system. Current tax rate is \$0.21 per gallon plus local option tax (varies by county) plus the inspection fee (\$.00125 per gallon) plus pollutants tax (\$.02071 per gallon).

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Effective 01/01/2014 – Not taxable until 2026.	<b>1 MFEG = 5.66 pounds or 126.67 cubic feet</b>
<b>E85</b>	Current tax rate is \$0.21 per gallon plus local option tax (varies by county) plus the inspection fee (\$.00125 per gallon) plus pollutants (\$.02071 per gallon).	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>		<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Effective 01/01/2014 (Excise Tax) – Not taxable until 2026. LNG is liable for pollutants tax (\$.02071 per	<b>1 MFEG = 6.06 pounds</b>

<b>LPG (Liquefied Petroleum Gas)</b>	Effective 01/01/2014 – Not taxable until 2026.	<b>1 MFEG = 1.35 gallons</b>
<b>Methanol or “M85”</b>	If it meets the definition of motor fuel, current tax rate is \$0.21 per gallon plus local option tax (varies by county) plus the inspection fee	<b>Not Applicable</b>
	(\$0.00125 per gallon) plus pollutants tax (\$0.02071 per gallon).	
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Gasoline products or <u>any product blended with gasoline or any fuel placed in the storage supply tank of a gasoline-powered motor vehicle.</u>	\$0.21 per gallon plus local option tax (varies by county) plus the inspection fee (\$0.00125 per gallon) plus pollutants tax (\$0.02071 per gallon).	Yes, if it meets this definition.
Petroleum distillates commonly known as diesel #2, biodiesel, <u>or any other product blended with diesel or any product placed into the storage supply tank of a diesel powered motor vehicle.</u>	\$0.374/gallon plus pollutants tax (\$0.02071 per gallon).	Yes, if it meets this definition.
<u>Fuel for use in aircraft</u> , and includes aviation gasoline and aviation turbine fuels and kerosene, as determined by the American Society for Testing Materials specifications D-910 or D-1655 or current specifications.	\$0.0427/gallon plus pollutants tax (\$0.02071 per gallon).	Yes, if it meets this definition.

## **Section 16-How does your state handle contaminated fuel?**

1. **Transmix** – Taxable as diesel fuel upon removal from the terminal.

2. **Mixing of Undyed and Dyed Diesel** –

A licensed terminal supplier, importer, or wholesaler that holds title to taxable diesel fuel that has been mixed with dyed diesel fuel in storage may qualify for a refund of any state and local option tax paid on the taxable diesel fuel as follows:

1. The terminal supplier, importer, or wholesaler must contact the Department at (850) 717-6034 within “thirty 30 days” of the misfueling incident that caused the mixing of dyed diesel fuel with taxable diesel fuel to obtain a refund authorization number. The terminal supplier, importer, or wholesaler must report the following information:
  - a. The name of the licensee holding title,
  - b. The location of the storage,
  - c. The number of gallons of taxable diesel,
  - d. The number of gallons of dyed diesel,
  - e. The resulting total number of gallons of mixed diesel,
  - f. The date and time of the incidence of mixing,
  - g. The disposition of all mixed diesel fuel, and
  - h. The steps taken to bring the mixed fuel to proper dyed fuel specifications.
2. To obtain a refund of tax paid on diesel fuel, the terminal supplier, importer, or wholesaler holding a refund authorization number must file an Application for Refund (Form DR-26, incorporated by reference in Rule 12-26.008, F.A.C.) with the Department. Form DR-26 must be filed in accordance with the timing provisions of Section 215.26(2), F.S., and must meet the requirements of Section 213.255(2) and (3), F.S., and Rule 12-26.003, F.A.C. Form DR-26, Application for Refund, must be filed with the Department within 3 years after the date the tax was paid.

## **Section 17-Does your state allow bad debt credits?**

Yes

**Section 18 -Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Terminal Supplier Fuel Tax Return	Your tax return is due to the Department on the 1st day of the month following the collection period. Returns filed electronically will be considered late if they are not received by the Department or its agent on or before the 20th day of each month. If the 20th day is a Saturday, Sunday, state or federal holiday, electronic and paper returns will be accepted as timely if filed on the next business day.	You must initiate your electronic payment no later than 5:00 p.m., ET, on the business day prior to the 20th.
Wholesaler/Importer Fuel Tax Return	“	“
Mass Transit System Provider Fuel Tax	“	“
Local Government User of Diesel Fuel	“	“
Blender Fuel Tax Return	“	“
Pollutants Tax Return	“	“
Florida Air Carrier Fuel Tax Return	“	“
Terminal Operator Information Return	“	NA
Petroleum Carrier Information Return	“	NA
Exporter Fuel Tax Return	“	NA

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Receipt by the Department or its agent if filed electronically.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Payments - If you make your payments using Electronic Funds Transfer (EFT), it must be transmitted no later than 5:00 p.m., ET, on the last banking business day prior to the 20th.

Download a payment due date calendar (Form DR-659) to help you pay on time.

Returns – Returns must be filed by 11:59 PM.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Return - Your tax return is due to the Department on the 1st day of the month following the collection period. Returns filed electronically will be considered late if they are not received by the Department or its agent on or before the 20th day of each month. If the 20th day is a Saturday, Sunday, state or federal holiday, electronic and paper returns will be accepted as timely if filed on the next business day.

Payment - If you pay your tax electronically, banking rules require that the payment must be transmitted no later than 5:00 p.m., ET, on the banking business day prior to the 20th.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Terminal Supplier Fuel Tax Return	If your payment or return is late, no collection allowance is authorized. In addition to all other penalties, a delinquency penalty of 10 percent of any tax due will be added for each month, or portion of a month, the return is late. The maximum penalty is 50 percent and the minimum is \$10, even if you file a tax return with no tax due.	If your payment or return is late, no collection allowance is authorized. In addition to all other penalties, a delinquency penalty of 10 percent of any tax due will be added for each month, or portion of a month, the return is late. The maximum penalty is 50 percent and the minimum is \$10, even if you file a tax return with no tax due.
Wholesaler/Importer Fuel Tax Return	“	“
Mass Transit System Provider Fuel Tax Return	“	“
Local Government User of Diesel Fuel Tax Return	“	“
Blender Fuel Tax Return	“	“
Pollutants Tax Return	“	“
Florida Air Carrier Fuel Tax Return	“	“

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated no differently than gasoline (point of taxation, tax rate, and registration requirements) in Florida. E85 is reported as product code 124.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Any person transporting fuel for sale or for others in vehicles capable of hauling quantities of 500 gallons or more in this State, must hold a valid license as a carrier of motor fuel or diesel fuel and file a return.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Assuming title transfers twice outside of the bulk transfer system, the position holder removing the product from a terminal in Florida must charge the company taking flash title of the product Florida tax.

There is one exception to this rule as noted below.

A terminal supplier may purchase taxable motor fuels from another terminal supplier at a terminal without paying the tax imposed pursuant to this part only under the following circumstances:

- (a) The terminal supplier who purchased the motor fuel will sell the motor fuel to a licensed exporter for immediate export from the state.
  - (b) The terminal supplier who purchased the motor fuel has designated to the terminal supplier who sold the motor fuel the destination for delivery of the fuel to a location outside the state.
  - (c) The terminal supplier who purchased the motor fuel is licensed in the state of destination and has supplied the terminal supplier who sold the motor fuel with that license number.
  - (d) The licensed exporter has not been barred from making tax-free exports by the department for violation of s. 206.051(5).
  - (e) The terminal supplier who sold the motor fuel to the other terminal supplier collects and remits to the state of destination all taxes imposed by the destination state on the fuel.
- (3) A licensed exporter shall not divert for sale or use in this state any fuel designated to a destination outside this state without first obtaining a diversion number from the department as specified in s. 206.416(1)(b) and manually recording that number on the shipping paper prior to diversion of fuel for sale or use in this state.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

The Department allows for a deferral of state taxes, excluding Pollutant tax, to be deferred no

later than the last business day prior to the 20<sup>th</sup> day of the succeeding month following the date of the transaction. This is pursuant to s. 206.43(5)(a), F.S. Florida statutes do not address the deferral of federal tax.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

The inspection fee is a part of the taxes that are allowed for deferral. Pollutants taxes are not included. See ss. 206.43(5)(a) and 206.9915, F.S.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Sales and discretionary tax are charged on dyed diesel fuel used off road. Undyed diesel fuel may also be liable for sales tax if used off-road and the on-road taxes were paid to a supplier and refunded to the taxpayer. Tax is calculated on the total price of the product. The tax rates may change on an annual basis.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

**Terminal Suppliers**

Prior to becoming licensed, each new terminal supplier applicant must submit, to the Department, a bond which equals 3 times the estimated average monthly fuel tax levied under Chapter 206, F.S., for each type of fuel that will be sold, but such bond will not exceed a maximum of \$300,000 for each product type (motor fuel, diesel, and aviation fuel).

A terminal supplier that has filed bonds of less than \$300,000 for each product type (motor fuel, diesel, and aviation fuel) will be notified by the Department when its liability increases to an amount that requires an increase in its bond.

**Wholesalers**

1. Each wholesaler that is licensed pursuant to Section 206.02, F.S., will be required to furnish a bond to the Department in a sum of not more than \$300,000, for each product type (motor fuel, diesel fuel, and aviation fuel).
2. The tax rate for calculating the wholesaler's bond on motor fuel will be the taxes imposed under Section 206.41, F.S. (fuel sales tax, Constitution Tax, County Tax, Municipal Tax, Ninth-cent County Fuel Tax, the maximum Local Option Fuel Tax rate, and the SCETS tax charged in this state.)
3. The tax rate for calculating the wholesaler's bond on diesel fuel will be the taxes imposed under Section 206.87, F.S. (fuel sales tax, Excise Tax, Ninth-cent County Fuel Tax, the

maximum Local Option Fuel Tax rate, and the SCETS tax charged in this state.)

4. The tax rate for calculating the wholesaler's bond on aviation fuel will be the tax imposed under Section 206.9825, F.S. (Excise Tax)

5. A wholesaler who has no import or export activity and is authorized to remit the taxes imposed by Chapter 206, F.S., to its supplier by electronic funds transfer (EFT) will file a bond with the Department for each product type (motor fuel, diesel fuel, and aviation fuel) based on the estimated average monthly gallons to be purchased, multiplied by the total of the taxes imposed under Section 206.41, F.S. (for motor fuel), Section 206.87, F.S. (for diesel fuel), and Section 206.9825, F.S. (for aviation fuel), and that sum multiplied by three.

6. A wholesaler who has no import or export activity and is not authorized to remit the taxes imposed by Chapter 206, F.S., to its supplier by EFT will file a bond with the Department for motor fuel only based on the estimated average monthly gallons to be purchased, multiplied by the maximum Local Option Fuel Tax rate charged in this State, and that sum multiplied by three.

7. A wholesaler who has no import or export activity, who sells only undyed diesel fuel, and who is not authorized by the Department to remit fuel tax to its supplier is not required to post a bond.

8. A wholesaler who only imports fuel into this State is required to post a bond with the Department for each product type (motor fuel, diesel fuel, and aviation fuel) based on the estimated average monthly gallons imported multiplied by the total of the taxes imposed under Sections 206.41, F.S. (for motor fuel), 206.87, F.S. (for diesel fuel), and 206.9825, F.S. (for aviation fuel) and that sum, multiplied by two.

9. The wholesaler will file an additional bond for motor fuel based on the estimated average monthly gallons imported multiplied by the maximum Local Option Fuel Tax rate charged in this State and that sum, multiplied by three.

(c) A person who is licensed as a wholesaler and an importer will file bonds as follows:

1. The wholesaler bond will be the estimated average monthly gallons to be purchased, multiplied by the taxes imposed under Sections 206.41, F.S. (for motor fuel), 206.87, F.S. (for diesel fuel), and 206.9825, F.S. (for aviation fuel) and that sum multiplied by three.

2. The importer bond shall be maintained in a sufficient amount to secure payment of tax on motor fuel, diesel fuel, and aviation fuel for 60 days of imports.

3. If an importer does not maintain sufficient bond prior to importation of motor fuel, diesel fuel, and aviation fuel, an import authorization number will be denied and such person will be prohibited from importing untaxed fuel into this state.

4. If the wholesaler bond is less than \$300,000, an additional bond for motor fuel will be calculated and added to the wholesale bond based on the estimated average monthly gallons to be imported, multiplied by the maximum Local Option Fuel Tax rate, charged in this State, multiplied by three.

## **Exporter**

1. An exporter's bond will be equal to three times the total state and local option taxes that would be due if the fuel was sold for highway use in Florida.

2. An exporter, who is also bonded as a wholesaler, will obtain a bond which will be the difference between the wholesaler bond and the \$300,000 maximum bond for motor fuel, diesel fuel, and aviation fuel.



## Pollutants

Each terminal supplier, importer, or wholesaler, of pollutants that holds a fuel license must add to its fuel bond an amount to be three times the average monthly pollutants tax paid or due during the preceding twelve calendar months. However, the total amount of the bond must not exceed \$300,000.

(d) Each producer or importer of pollutants who does not hold a valid fuel license must file with the Department, a bond in an amount to be three times the average monthly pollutants tax paid or due during the preceding twelve calendar months. The bond shall not exceed \$300,000.

(e) No bond is required to obtain a pollutant tax license for the sole purpose of applying for refunds of tax paid on pollutants, as provided in Section 206.9942, F.S.

### **Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)

#### **Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Terminal Supplier	X	1, 2, 3, 4, 5, 8, 10
Wholesaler/Importer	X	1, 3, 4, 8
Blender	X	8
Local Government User of Diesel Fuel	x – If it uses dyed fuel on-road.	
Mass Transit System Provider	x – If it uses dyed fuel on-road.	
Terminal Operator		7
Petroleum Carrier		6
Exporter		2
Florida Air Carrier	X	
Pollutants	X	

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Yes, if fuel is exported out of state by a non-licensed exporter.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

A licensed terminal supplier who is a position holder in a terminal located outside of Florida or a seller transferring ownership of motor fuel outside of Florida destined for Florida agrees to be subject to the laws of Florida and comply with the provisions of Chapter 206, Florida Statutes in the same manner as if the motor fuel were withdrawn from a terminal in Florida or the transfer of ownership occurred in Florida.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Florida requires a supplemental return, and they are filed electronically. A supplemental return is defined as the difference between what was originally filed and what should have been filed.

**Section 34-Does your state allow credit and rebills on the current month report?**

There are no statutory provisions that inhibit credits or rebills in Florida on a current month report.

**Section 35-How many days are allowed to report late loads?**

There are no statutory provisions that allow for late loads in Florida.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

See below for applicable Florida Statutes regarding invoices and delivery ticket requirements.

**Refund Provisions - 206.41(5) State taxes imposed on motor fuel.**

(b)1. When motor fuel or diesel fuel is sold to a person who claims to be entitled to a refund under subsection (4), the seller of such motor fuel or diesel fuel shall make out a sales invoice, which shall contain the following information:

a. The name, post office address, and residence address of the purchaser.

- b. The number of gallons purchased.
- c. The date on which the purchase was made.
- d. The price paid for the motor fuel or diesel fuel.
- e. The name and place of business of the seller of the motor fuel or diesel fuel.
- f. The license number, or other identification number, of the motor vehicle or boat of the purchaser.
- g. The Department of Environmental Protection storage tank facility identification number for the seller's location, if the location is required to be registered in accordance with s. 376.303.

### **Taxes Separately States - 206.49 Invoice to show whether or not tax paid; liability.**

(1) Each terminal supplier or importer, when selling to any other terminal supplier or importer any of the products taxed under this part, shall render an invoice of such sale to the purchaser, and upon such invoice the terminal supplier or importer rendering such invoice shall plainly state thereon whether or not the tax required will be reported and paid by him or her, and the purchaser buying and receiving such products may fully rely upon the statement made in such invoice.

### **Carrier Requirements - 206.20 Transportation of motor fuel over public highways.**

(1) Every person hauling, transporting, or conveying motor fuel over any of the public highways of this state must, during the entire time he or she is so engaged, have in his or her possession an invoice or delivery ticket, bill of sale, or other record evidence showing the true name and address of the person from whom he or she has received the motor fuel, the number of gallons so originally received by him or her from said person, the true name and address, including state of destination, of every person to whom he or she has made deliveries of said motor fuel, and the number of gallons so delivered to each of said persons, and the destination address of the undelivered gallons. The person hauling, transporting, or conveying such motor fuel shall, at the request of any person required by law to inquire into or investigate said matters, produce and offer for inspection said invoice or delivery ticket, bill of sale, or record evidence. If the person fails to produce the invoice or delivery ticket, bill of sale, or record evidence, or if, when produced, it fails clearly to disclose said information, the same shall be prima facie evidence of a violation of this section.

### **Carrier Requirements - 206.199 Transportation of motor fuel by pipeline or marine vessel.**

(1) Every person engaged in the business of transporting motor fuel by pipeline, marine vessel, or barge to a storage facility in this state from a point either within or outside this state or between facilities in this state shall have in his or her possession an invoice or delivery ticket, bill of sale, or other record evidence showing the true name and address of the person from whom he or she has received the motor fuel, the number of gallons so originally received by him or her from said person, the true name and address, including state of destination, of every person to whom he or she has made deliveries of said motor fuel, the number of gallons so delivered to

each of said persons, and the destination address of the undelivered gallons. The person hauling, transporting, or conveying such motor fuel shall, at the request of any person authorized by law to inquire into or investigate said matters, produce and offer for inspection said invoice or delivery ticket, bill of sale, or record evidence. If the person fails to produce the invoice or delivery ticket, bill of sale, or record evidence, or if, when produced, it fails clearly to disclose said information, the same shall be prima facie evidence of a violation of this section.

### **Carrier Requirements - 206.204 Transportation of motor fuel by boats over the navigable waters of this state.**

(1) Every person hauling, transporting, or conveying motor fuel over any of the navigable waters of this state must, during the entire time so engaged, have in his or her possession an invoice or bill of sale or other record evidence showing the true name and address of the person from whom he or she has received said motor fuel and the true name and address of every person or persons to whom he or she has made or is making deliveries of same, and the number of gallons (that is, a person hauling, transporting, or conveying said motor fuel must have in his or her possession record evidence of the name and address of the person from whom he or she has received the same, and also of the name and address of the person to whom he or she has delivered or is going to deliver the same, and the number of gallons). The person hauling, transporting, or conveying said motor fuel shall at the request of any person authorized by law to inquire into or investigate said matters, produce and offer for inspection the invoice or bill of sale or other record evidence. If the person fails to produce the invoice or bill of sale or other record evidence, or if, when produced, it fails to clearly disclose said information, the same shall be prima facie evidence of a violation of this section.

### **Marking Requirements - 206.8741 Dyeing and marking; notice requirements.**

(2) Notice is required with respect to dyed diesel fuel. A notice stating: "DYED DIESEL FUEL, NONTAXABLE USE ONLY, PENALTY FOR TAXABLE USE" shall be:

- (a) Provided by the terminal operator to any person that receives dyed diesel fuel at a terminal rack of that terminal operator.
  - (b) Provided by any seller of dyed diesel fuel to its buyer if the diesel fuel is located outside the bulk transfer or terminal system and is not sold from a retail pump posted in accordance with the requirements of paragraph (c).
  - (c) Posted by a seller on any retail pump where it sells dyed diesel fuel for use by its buyer.
- (3) All shipping papers, bills of lading, and invoices accompanying the sale or removal of tax-paid, undyed diesel fuel shall be stamped, typed, printed, or written in indelible ink with the following notice: "THIS DIESEL FUEL DOES NOT CONTAIN VISIBLE EVIDENCE OF DYE."

(4) All shipping papers, bills of lading, and invoices accompanying the sale of tax-paid, undyed diesel fuel exempt from the tax imposed by this part pursuant to s. 206.8745(2) shall be stamped, typed, printed, or written in indelible ink with a notice that the price of the fuel does not include Florida state and local fuel taxes and does not contain visible evidence of dye.

(5) The form of notice required under paragraphs (2)(a) and (b) shall be provided by the time of the removal or sale and shall be stamped, typed, printed, or written in indelible ink on shipping

papers, bills of lading, and invoices accompanying the sale or removal of the dyed diesel fuel.

### **Section 37-What entities are exempt / excluded in your state?**

#### **Please cite the statutory reference.**

Motor Fuel - Means all gasoline products or any product blended with gasoline or any fuel placed in the storage supply tank of a gasoline-powered motor vehicle (gasoline, gasohol, fuel grade ethanol, or any product placed into the supply tank of a gasoline powered vehicle)

- Section 206.62, Florida Statutes - **United States or its departments or agencies in bulk lots of not less than 500 gallons.** Includes contract flying schools training cadet aviators for the United States Air Force under contract whereby the United States reimburses the contract flying school for the motor fuel so used.
  - Section 206.052, Florida Statutes
- (1) A licensed exporter may purchase from a terminal supplier at a terminal taxable motor fuels for **export** from this state without paying the tax imposed pursuant to this part only under the following circumstances:
- (a) The exporter has designated to the terminal supplier the destination for delivery of the fuel to a location outside the state;
  - (b) The exporter is licensed in the state of destination and has supplied the terminal supplier with that license number;
  - (c) The exporter has not been barred from making tax-free exports by the department for violation of s. [206.051](#)(5); and
  - (d) The terminal supplier collects and remits to the state of destination all taxes imposed on said fuel by the destination state.
- (2) A terminal supplier may purchase taxable motor fuels from another terminal supplier at a terminal without paying the tax imposed pursuant to this part only under the following circumstances:
- (a) The terminal supplier who purchased the motor fuel will sell the motor fuel to a licensed exporter for immediate export from the state.
  - (b) The terminal supplier who purchased the motor fuel has designated to the terminal supplier who sold the motor fuel the destination for delivery of the fuel to a location outside the state.
  - (c) The terminal supplier who purchased the motor fuel is licensed in the state of destination and has supplied the terminal supplier who sold the motor fuel with that license number.
  - (d) The licensed exporter has not been barred from making tax-free exports by the department for violation of s. [206.051](#)(5).
  - (e) The terminal supplier who sold the motor fuel to the other terminal supplier collects and remits to the state of destination all taxes imposed by the destination state on the fuel.
- (3) A licensed exporter shall not divert for sale or use in this state any fuel designated to a destination outside this state without first obtaining a diversion number from the department as specified in s. [206.416](#)(1)(b) and manually recording that number on the shipping paper prior to diversion of fuel for sale or use in this state.

Diesel Fuel - Means all petroleum distillates commonly known as diesel #2, biodiesel, or any other product blended with diesel or any product placed into the storage supply tank of a diesel-powered motor vehicle.

- Section 206.874, Florida Statutes –

(1) The provisions of this part requiring the payment of taxes do not apply to any of the following:

(a) The removal from a terminal or refinery of, or the entry or sale of, any diesel fuel if all of the following apply:

1. The person otherwise liable for tax is a diesel fuel registrant;
2. In the case of a removal from a terminal, the terminal is an approved terminal; and
3. **The diesel fuel satisfies the dyeing and marking requirements of s. [206.8741](#).**

(b) Any entry by a licensed importer into this state of **diesel fuel on which taxes have been imposed** by this chapter on a diesel fuel registrant pursuant to an agreement entered into with the department as provided by s. [206.872](#).

(c) The removal of diesel fuel if all of the following apply:

- (1) **The diesel fuel is removed by rail car from an approved refinery or terminal and is received at an approved refinery or terminal; and**
- (2) The refinery and the terminal are operated by the same diesel fuel registrant.
- (3) **Diesel fuel which, pursuant to the contract of sale, is required to be shipped and is shipped to a point outside of this state by a supplier** by means of any of the following:
  1. Facilities operated by the supplier.
  2. Delivery by the supplier to a carrier, customs broker, or forwarding agent, whether hired by the purchaser or not, for shipment to such out-of-state point.
  3. Delivery by the supplier to any vessel clearing from a port of this state for a port outside of this state and actually exported from this state in the vessel.

(d) Diesel fuel which is destined for delivery to a location outside of this state on which the diesel fuel registrant is required to collect the taxes of the destination state pursuant to an agreement with the state of destination.

(6) **Diesel fuel contained in the fuel tanks of any motor vehicle entering this state and used to propel such motor vehicle** into Florida from another state shall be exempt from the taxes imposed by this part but may be taxed under the provisions of chapter 207. Diesel fuel supplied by a vehicle manufacturer and contained in the fuel tanks of a new and untitled motor vehicle shall be exempt from the taxes imposed by this part. “Fuel tanks” means the reservoir or receptacle attached to the motor vehicle by the manufacturer as the container for fuel used to propel the vehicle.

(7) **Biodiesel fuel manufactured by a public or private secondary school that produces less than 1,000 gallons annually for the sole use at the school**, by its employees, or its students is exempt from the tax imposed by this part. A public or private secondary school that produces less than 1,000 gallons a year of biodiesel is exempt from the registration requirements of this chapter.

- Section 206.8745, Florida Statutes –

(2) The provisions of subsection (1) do not apply to any person purchasing undyed, tax-paid diesel fuel for use on a **farm for farming purposes**, or to sales of undyed, tax-paid diesel fuel to the **United States or its departments or agencies in bulk lots of not less than 500 gallons in each delivery**. Such sales shall be made tax-free and the seller, if a registered ultimate vendor, shall be entitled to file a refund of such taxes or apply for a credit on its monthly return as authorized by law.

- Section 206.8745, Florida Statutes – **Exports** by licensed terminal suppliers or exporters. See applicability clause that references s. 206.052, Florida Statutes,

Aviation Fuel - Means fuel for use in aircraft and includes aviation gasoline and aviation turbine fuels and kerosene, as determined by the American Society for Testing Materials specifications D-910 or D-1655 or current specifications.

- Section 206.9825, Florida Statutes –

(b)1. Sales of aviation fuel to, and exclusively used for **flight training through a school of aeronautics or college of aviation** by, a college based in this state which is a tax-exempt organization under s. 501(c)(3) of the Internal Revenue Code or a university based in this state are exempt from the tax imposed by this part if the college or university:

- a. Is accredited by or has applied for accreditation by the Aviation Accreditation Board International; and
- b. Offers a graduate program in aeronautical or aerospace engineering or offers flight training through a school of aeronautics or college of aviation.

2. A licensed wholesaler or terminal supplier that sells aviation fuel to a college or university qualified under this paragraph and that does not collect the aviation fuel tax from the college or university on such sale may receive an ultimate vendor credit for the 4.27-cent excise tax previously paid on the aviation fuel delivered to such college or university.

3. A college or university qualified under this paragraph which purchases aviation fuel from a retail supplier, including a fixed-base operator, and pays the 4.27-cent excise tax on the purchase may apply for and receive a refund of the aviation fuel tax paid.

- Section 206.9875, Florida Statutes – Aviation fuel purchased by the **United States or any department or agency of the United States** is exempt from the tax imposed by this part when used in governmental aircraft. Any dealer of aviation fuel is entitled to a refund of any tax he or she has paid upon any aviation fuel purchased under such exemption.
- Section 206.9835, Florida Statutes – **Exports** by licensed terminal suppliers or exporters. See applicability clause that references s. 206.052, Florida Statutes,

Kerosene – Means all aviation turbine fuels and any distillate known as diesel #1, K-1, or any product suitable for use as a substitute for kerosene not taxed as a diesel fuel under part II. Any kerosene meeting the definition of diesel under s. 206.86(1) shall be taxed under part II.

- Section 206.9825, Florida Statutes –

(c) **Kerosene prepackaged in containers of 5 gallons or less and labeled “Not for Use in a Motor Vehicle”** is exempt from the taxes imposed by this part when sold for home heating and cooking. Packagers may qualify for a refund of taxes previously paid, as prescribed by the department.

(d) Sales of kerosene in **quantities of 5 gallons** or less by a person not licensed under this chapter who has no facilities for placing kerosene in the fuel supply system of a motor vehicle may qualify for a refund of taxes paid. Refunds of taxes paid shall be limited to sales for use in **home heating or cooking** and shall be documented as prescribed by the department.

(4) Any licensed wholesaler or terminal supplier that delivers undyed kerosene to a **residence for home heating or cooking** may receive a credit or refund as the ultimate vendor of the kerosene for the 4.27-cent excise tax previously paid.

(5) Any licensed wholesaler or terminal supplier that delivers undyed kerosene to a retail dealer not licensed as a wholesaler or terminal supplier for sale as a **home heating or cooking** fuel may receive a credit or refund as the ultimate vendor of the kerosene for the 4.27-cent excise tax previously paid, provided the retail dealer has no facility for fueling highway vehicles from the tank in which the kerosene is stored.

- Section 206.9835, Florida Statutes – **Exports** by licensed terminal suppliers or exporters. See applicability clause that references s. 206.052, Florida Statutes,

Pollutants - Includes any petroleum product as defined in subsection as well as pesticides, ammonia, and chlorine; lead-acid batteries, including, but not limited to, batteries that are a component part of other tangible personal property; and solvents, but the term excludes liquefied petroleum gas, medicinal oils, and waxes. Products intended for application to the human body or for use in human personal hygiene or for human ingestion are not pollutants, regardless of their contents.

- Section 206.9835, Florida Statutes – **Please note partial exemption of tax.**

(1) The following items shall be exempt from the tax imposed under s. 206.9935(3): American Society for Testing and Materials (ASTM) grades **No. 5 and No. 6 residual oils; intermediate fuel oils (IFO) used by the taxpayer for marine bunkering with a viscosity of 30 and higher; asphalt oil; petrochemical feedstocks; and pesticides, ammonia, chlorine, and derivatives thereof.**

(2) Petroleum products **exported** from the first storage facility at which they are held in this state by a licensed terminal supplier, importer, exporter, wholesaler, or producer are exempt from the taxes imposed under s. 206.9935(2) and (3).

(3) Pollutants **exported** from the manufacturing plant, first storage tank system, or first warehouse at which they are held in this state by a licensed importer or producer are exempt from the tax imposed under s. 206.9935(2).

(4) **Solvents consumed in the manufacture or production of a material that is not itself a pollutant**, as defined in s. 206.9925, are exempt from the tax imposed by s. 206.9935(2).

(5) **Solvents, motor oil, and lubricants are exempt from the taxes imposed by s. 206.9935(1) and (3).**

(6) Crude oil produced at a well site subject to regulation under s. 377.22 and **exported** from that site by the producer exclusively by pipeline, truck, or rail to beyond the jurisdiction of this state without intermediate storage or stoppage shall be exempt from the tax imposed under s.



206.9935(1).

(7) **Petroleum products bunkered into marine vessels engaged in interstate or foreign commerce** from the first storage facility at which they are held in this state by a licensed terminal supplier, importer, exporter, wholesaler, or producer are exempt from the taxes imposed under s. 206.9935(2) and (3).

Natural Gas Fuels - Means any liquefied petroleum gas product, compressed natural gas product, or combination thereof used in a motor vehicle as defined in s. 206.01(23). This term includes, but is not limited to, all forms of fuel commonly or commercially known or sold as natural gasoline, butane gas, propane gas, or any other form of liquefied petroleum gas, compressed natural gas, or liquefied natural gas. This term does not include natural gas or liquefied petroleum placed in a separate tank of a motor vehicle for cooking, heating, water heating, or electric generation.

- Section 206.9835, Florida Statutes – Exempt when sold by a retail dealer for use in a motor vehicle until January 1, 2024.

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Voluntary Disclosure – Per section 95.091(3), Florida Statutes.

(a) With the exception of taxes levied under chapter 198 and tax adjustments made pursuant to ss. 220.23 and 624.50921, the Department of Revenue may determine and assess the amount of any tax, penalty, or interest due under any tax enumerated in s. 72.011 which it has authority to administer and the Department of Business and Professional Regulation may determine and assess the amount of any tax, penalty, or interest due under any tax enumerated in s. 72.011 which it has authority to administer:

**1.a. For taxes due before July 1, 1999, within 5 years after the date the tax is due, any return with respect to the tax is due, or such return is filed, whichever occurs later; and for taxes due on or after July 1, 1999, within 3 years after the date the tax is due, any return with respect to the tax is due, or such return is filed, whichever occurs later;**

b. Effective July 1, 2002, notwithstanding sub-subparagraph a., within 3 years after the date the tax is due, any return with respect to the tax is due, or such return is filed, whichever occurs later;

2. For taxes due before July 1, 1999, within 6 years after the date the taxpayer makes a substantial underpayment of tax or files a substantially incorrect return;

3. At any time while the right to a refund or credit of the tax is available to the taxpayer;

4. For taxes due before July 1, 1999, at any time after the taxpayer filed a grossly false return;

**5. At any time after the taxpayer failed to make any required payment of the tax, failed to file a required return, or filed a fraudulent return, except that for taxes due on or after July 1, 1999, the limitation prescribed in subparagraph 1. applies if the taxpayer disclosed in writing the tax liability to the department before the department contacts the taxpayer.**

**Section 39-What is your statute of limitations to refund motor fuel tax?**

The statute of limitations for refunds is in s. 215.26, F.S. This section provides a 5-year limit on taxes paid on or after October 1, 1994, but before July 1, 1999, and a 3-year limit for taxes paid on or after July 1, 1999.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both would be required.

**Section 41- Does your state accept electronic BOLs?**

Yes, the Department will accept an electronic bill of lading in lieu of a paper copy.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

When fuel is shipped via railcar, it is considered to be below the rack or not a part of the bulk transfer system (see [s. 206.01\(15\), F.S.](#)). Therefore, the imposition of tax will be when the product first enters into Florida (see [s. 206.41\(6\), F.S.](#)). The date that the fuel arrives or enters into Florida should be used.

However, if a licensed terminal supplier sells a taxable fuel product from an IRS terminal with a Florida destination via truck or railcar, they will act as if that transaction occurred in Florida (see [s. 206.054\(2\), F.S.](#)) and pre-collect the applicable taxes. The date when the sale was made should be the date used.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Tax returns are available on our website located at [https://floridarevenue.com/Pages/forms\\_index.aspx](https://floridarevenue.com/Pages/forms_index.aspx).

# STATE OF GEORGIA

## **Section 1-Contact Information**

**Agency:** Georgia Department of Revenue  
**Name:** Iseeta Richardson  
**Street Address:** 1800 Century Center Boulevard NE  
**City, State Zip Code:** Atlanta, Georgia 30345  
**Phone Number:** (404) 417-2447  
**Fax Number:** N/A  
**E-mail Address:** iseeta.richardson@dor.ga.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

- Official Code of Georgia (O.C.G.A.) § 48-9 (Motor Fuel Tax Law) and § 48-8 (Sales and Use Tax Law)
- Chapters 560-9 - Georgia Rules and Regulations on motor fuel and road taxes

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Distributor

**Jet Fuel:** Distributor

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-:

Point of Taxation:

## **Section 5-State Tax Rates**

Please see <https://dor.georgia.gov/taxes/business-taxes/motor-fuel-tax/calculating-tax-motor-fuel>.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Georgia calculates tax based on billed gallons.

Reference: Official Code of Georgia (O.C.G.A.) § 48-9-3 (Motor Fuel Tax Law)

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

None.

## **Section 7-Rate Updates**

### **2023 Rate Update**

Prepaid Local Tax on motor fuel is calculated by multiplying the Prepaid Local Tax rate by the “average retail price” of the applicable motor fuel by the number of gallons sold. The “average retail prices” of motor fuels are published at least semi-annually (January 1 and July 1) in the Prepaid Local Tax Bulletin. Prepaid Local Tax rates are published quarterly in the Prepaid Local Tax Rate Chart.

State Excise Tax rates are published annually (January 1) in the State Excise Tax Bulletin.

All motor fuel tax rates and prices can be found at this link:

<https://dor.georgia.gov/taxes/business-taxes/motor-fuel-tax/calculating-tax-motor-fuel>

## **Section 8-State Collection Allowance**

1% of State Excise Tax and 3% of Prepaid Local Tax

## **Section 9-State Diversion Requirements**

**Diversion Required: No**

**If Diversion required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?**

**What products are subject to the diversion requirement?**

**Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Must be licensed to Import or Export. No Refund would be needed.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

Question: I received a diversion number but my driver used the incorrect card and we were charged Georgia taxes, but the fuel went to South Carolina. My supplier will not give us our money back. How can I get a refund for the Georgia taxes paid?

If the destination state (Georgia) tax was collected from a tax at the rack state and then diverted to South Carolina, then the purchaser/distributor must contact the new diversion state and receive a letter from that state indicating that all taxes have been paid on the imported product. Supporting documentation such as the diversion notice, bill of lading and any other documentation to support the transaction must be received prior to processing the refund. A credit memo or cash refund must be applied for on the MFD-33 Refund Claim Form.

### **Section 10-Alternative Fuels Incentives and Laws**

Georgia currently no alternative fuel tax incentives.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
Taxed the same as clear diesel	B100 is taxable	Subject to State Excise Tax and Prepaid Local Tax	Taxed the same as gasoline if blended with gasoline	Taxable if blended	Subject to State Excise Tax and Prepaid Local Tax if blended with gasoline

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
Biodiesel is treated like clear diesel. The State Excise Tax rate is \$0.362/gallon plus Prepaid Local Tax. Can be sold tax free to other distributors possessing proper license.	Ethanol is treated like gasoline if blended with gasoline. The State Excise Tax rate is \$0.323/gallon plus Prepaid Local Tax. Can be sold tax free to other distributors possessing proper license.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.323 per gallon	<b>Not Applicable</b>
<b>E85</b>	\$0.323 per gallon	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>Hydrogen</b>	<b>Not Applicable</b>	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.323 per gallon	<b>Not Applicable</b>
<b>LPG (Liquefied Petroleum Gas)</b>	\$0.323 per gallon	<b>Not Applicable</b>
<b>Methanol or “M85”</b>	\$0.323 per gallon	<b>Not Applicable</b>
<b>Other</b>	<b>Not Applicable</b>	<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Gasoline</b>	<b>\$0.323/gallon</b>	<b>Yes</b>
<b>Clear Diesel</b>	<b>\$0.362/gallon</b>	<b>Yes</b>

**Section 16-How does your state handle contaminated fuel?**

If you buy motor fuel in bulk quantities and sell the motor fuel at retail, you will get a refund of 2% of the first 5½ cents per gallon of the State Excise Tax as compensation to cover losses for evaporation, shrinkage, and spillage. A licensed distributor of a type of motor fuel is not entitled to this refund on fuel for which the distributor holds a license. The form used to claim this refund is MFR-21.

**Section 17-Does your state allow bad debt credits?**

No.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Motor Fuel Tax Report	20 <sup>th</sup> day of the following month	20 <sup>th</sup> day of the following month
Sales and Use Tax Return	20 <sup>th</sup> day of the following month	20 <sup>th</sup> day of the following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked date is considered as timely filed.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Electronic returns must be filed by 11:59 PM on due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

On the following business day

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Motor Fuel Tax Report	If your return is late, a \$50 penalty is assessed.	If your payment is late, a 10% penalty of any tax due is assessed. There is no penalty when no tax is due.
Sales and Use Tax Return	<a href="https://dor.georgia.gov/penalty-and-interest-rates#Sales%20&amp;%20Use%20Tax">https://dor.georgia.gov/penalty-and-interest-rates#Sales%20&amp;%20Use%20Tax</a>	<a href="https://dor.georgia.gov/penalty-and-interest-rates#Sales%20&amp;%20Use%20Tax">https://dor.georgia.gov/penalty-and-interest-rates#Sales%20&amp;%20Use%20Tax</a>

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

The State of Georgia taxes E85 as a motor fuel like gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

Not applicable.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Not applicable.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Prepaid Local Tax generally applies to sales and uses of motor fuel that are subject to State Excise Tax.

Prepaid Local Tax on motor fuel is calculated by multiplying the Prepaid Local Tax rate by the “average retail price” of the applicable motor fuel by the number of gallons sold. The “average retail prices” of motor fuels are published at least semi-annually (January 1 and July 1) in the Prepaid Local Tax Bulletin. Prepaid Local Tax rates are published quarterly in the Prepaid Local Tax Rate Chart.

All motor fuel tax rates and prices can be found at this link:

<https://dor.georgia.gov/taxes/business-taxes/motor-fuel-tax/calculating-tax-motor-fuel>



**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Georgia law requires that all distributors post a bond in an amount that is 3 times the monthly tax liability. The bonds must have a minimum amount of \$1,000 to a maximum amount of \$150,000.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	X	1,2,3,4,5

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Yes.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed only electronically in the state of Georgia. Our state requires the resubmission of the entire returns, including the changes. The return is then processed to reflect and updated the reported changes.

**Section 34-Does your state allow credit and rebills on the current month report?**

No.

**Section 35-How many days are allowed to report late loads?**

This is currently an area Georgia doesn't enforce.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

O.C.G.A § 48-9-9. (d) (1) Every person transporting motor fuel over the public highways or navigable waters of this state shall have in such person's possession an invoice, bill of sale, or other document which identifies:

(A) The true name and address of the person from whom the motor fuel was received;

(B) The number of gallons originally received;

I The true name and address of every person who has received any part of the fuel;

(D) The number of gallons delivered to such persons; and

I The city or county and state of destination as represented to the transporter by the person who arranged the transportation.

(2) Failure to produce such invoice, bill of sale, or other document when demanded or failure of a document produced upon demand to meet the requirements of this Code section shall be prima-facie evidence of a violation of this article.

(3) The transporter shall leave a copy of the invoice, bill of lading, or other documentation with each person who receives the fuel into bulk storage for resale.

I Delivery of motor fuel from a transport tank truck or vessel directly into the fuel tank of any motor vehicle in this state is prohibited except in cases of emergency.

(f) Every person purchasing or otherwise acquiring motor fuel in bulk quantities for sale, use, or other disposition in this state who is not required to be licensed as a distributor by this article may be required to file by the twentieth day of each calendar month a report on forms prescribed

by the commissioner to account for all such motor fuel acquired during the preceding calendar month. Every operator of a terminal who receives motor fuel in bulk for storage shall include on a report to the commissioner the names of all persons who are storing fuel in the terminal and the quantity received, stored, and delivered during the month on behalf of each such account. The report shall specify what portion of the deliveries recorded for each account were within the terminal to others and what portion was removed from the terminal facility via the loading rack. The report shall identify the city or county and state of destination of the deliveries as reflected on the bills of lading issued by the terminal operator.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

O.C.G.A § 48-9-3(b) No tax is imposed by this article upon or with respect to the following sales by duly licensed distributors:

- (1) Bulk sales to a duly licensed distributor;
- (2) Sales of motor fuel for export from this state when exempted by any provisions of the Constitutions of the United States or this state;
- (3) Sales of motor fuel to a licensed distributor for export from this state;
- (4) Sales of motor fuel to the United States for the exclusive use of the United States when the motor fuel is purchased and paid for by the United States;
- (5) Sales of aviation gasoline to a duly licensed aviation gasoline dealer, except for 1¢ per gallon of the tax imposed by paragraph (1) of subsection (a) of this Code section;
- (6) Bulk sales of compressed petroleum gas or special fuel to a duly licensed consumer distributor;
- (7)(A) Sales of compressed petroleum gas or special fuel to a consumer who has no highway use of the fuel at the time of the sale and does not resell the fuel. Consumers of compressed petroleum gas or special fuel who have both highway and nonhighway use of the fuel and resellers of such fuel must be licensed as distributors in order for sales of the fuel to be tax exempt. Each type of motor fuel is to be considered separately under this exemption.
- (B)(i) In instances where a sale of compressed petroleum gas has been made to an ultimate consumer who has both highway and nonhighway use of that type of motor fuel and no tax has been paid by the distributor on the sale, the consumer shall become licensed as a consumer distributor of that type of motor fuel. After the consumer is licensed as a consumer distributor and if it is demonstrated to the satisfaction of the commissioner that the motor fuel purchased prior to the licensee's becoming licensed as a consumer distributor was used for nonhighway purposes, such sales shall be exempt from the tax imposed by this article; provided, however, that, if at the time of demonstration the ultimate consumer does not have both highway and nonhighway use of such fuel but it can be demonstrated by the distributor to the satisfaction of the commissioner that the motor fuel was used for nonhighway purposes, the sales shall be

exempt from the tax imposed by this article; and

(ii)(I) Any special fuel sold by a distributor to a purchaser who has a storage receptacle which has a connection to a withdrawal outlet that may be used for highway use, as defined in paragraph (8) of Code Section 48-9-2, is not exempt from the motor fuel and road taxes imposed by this article unless: (1) the purchaser is at the time of sale a valid licensed distributor of that type of motor fuel, or (2) an exemption certificate has been obtained from the purchaser on forms furnished by the Department of Revenue showing that the purchaser has no highway use of such fuels and is not a reseller of such fuels. Each exemption certificate shall be valid for a period of not more than three years and shall be kept by the distributor as one of the records specified in Code Section 48-9-8. It shall be the responsibility of the purchaser to notify the distributor when the purchaser is no longer qualified for the nonhighway exemption. All applicable taxes must be charged the purchaser until the purchaser is granted a valid distributor's license for that type of motor fuel.

(II) Any such purchaser granted an exemption under subdivision (I) of this division who falsely claims the exemption or fails to rescind the purchaser's exemption certificate to the distributor in writing when he or she is no longer eligible for the exemption shall be deemed a distributor for purposes of taxation and is subject to all provisions of this article relating to distributors. This division in no way shall restrict the option of the purchaser to become licensed as a distributor. If the distributor sells special fuel to a purchaser who has a storage receptacle which has a connection to a withdrawal outlet that may be used for highway use, as defined in paragraph (8) of Code Section 48-9-2, and the purchaser is not a valid licensed distributor and has not executed a valid signed exemption certificate, the taxes imposed by this article are due from the distributor and not the purchaser on all sales of that type of fuel to that purchaser;

(8) Sales of fuel oils, compressed petroleum gas, or special fuel directly to an ultimate consumer to be used for heating purposes only. The delivery of fuel oils, compressed petroleum gas, or special fuel directly to an ultimate consumer to be used for heating purposes only shall be made directly into the storage receptacle of the heating unit of the consumer by the licensed distributor. To qualify for this exemption, sales must be delivered into storage receptacles that are not equipped with any secondary withdrawal outlets for the motor fuel;

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

3 years

**Section 39-What is your statute of limitations to refund motor fuel tax?**

3 years

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both

**Section 41- Does your state accept electronic BOLs?**

Yes.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

BOL Origin Sales Date: O.C.G.A 48-9-9

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes, tax return templates and instructions are available on our website. They have been located at this link: [File Formats | Department of Revenue \(georgia.gov\)](#)

# STATE OF HAWAII

## **Section 1-Contact Information**

**Agency:** Highways Division, Hawaii Department of Transportation

**Name:** Clement Chan

**Street Address:** 869 Punchbowl Street, Room 301

**City, State Zip Code:** Honolulu, Hawaii 96813

**Phone Number:** (808) 587-6346

**Fax Number:** (808) 587-1787

**E-mail Address:** clement.p.chan@hawaii.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Hawaii Revised Statutes §235-110.3, §243-1, §243-3.5, §243-4.

## **Section 3-State Point of Taxation**

Fuel taxes are collected at the distributors' level.

**Gasoline: Diesel: Aviation Fuel:**

**Jet Fuel:** Jet fuel falls under the definition of "aviation fuel" which is all liquid substances of whatever chemical composition usable for the propulsion of airplanes. (Reference: Hawaii Revised Statutes §243-1)

## **Section 4-Please define "First Receiver" and "Point of Taxation" and cite your statutory reference regarding point of taxation.**

First Receiver: Hawaii does not provide a definition for "First Receiver."

Point of Taxation: Hawaii does not provide a definition for "Point of Taxation."

Fuel taxes are collected at the distributors' level. (Reference: Hawaii Revised Statutes §243-4)

### **Section 5-State Tax Rates (in cents per gallon)**

**Gasoline:** 16.0\*

**Diesel:** 16.0\*

**Aviation Fuel:** 1.0\*

**Jet Fuel:** Jet fuel falls under the definition of “aviation fuel” which is all liquid substances of whatever chemical composition usable for the propulsion of airplanes. (Reference: Hawaii Revised Statutes §243-1)

\*Effective January 1, 2016

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Gross gallons sold or used.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

The Environmental response, energy, and food security tax is imposed at the rate of \$1.05 per barrel on petroleum product that is not aviation fuel. In addition, a tax of \$0.19 per million BTU's is imposed on fossil fuel that is not petroleum product. The tax is imposed under section 243-3.5, HRS.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

See Department of Taxation Announcement No. 2020-03, available at <https://files.hawaii.gov/tax/news/announce/ann20-03.pdf>, for our current fuel tax rates.

### **Section 8-State Collection Allowance**

Distributors may take the evaporation allowance deduction of one gallon for every 99 gallons sold by their stations.

### **Section 9-State Diversion Requirements**

**Diversion Required:** No surround states.

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?**

**What products are subject to the diversion requirement?**

#### **Diversions Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

**Do you require the Supplier/Distributor to re-bill or give a credit for the diverted load?**

**If not required, do you allow the Supplier/Distributor to re-bill or give a credit for the diverted load?**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

#### **State Incentives**

##### **Renewable fuels production tax credit**

An income tax credit equal to 20 cents per seventy-six thousand British thermal units of renewable fuels is available for taxable years beginning after December 31, 2021 provide that the taxpayer's production of the renewable fuels is not less than 2.5 billion BTU's per year. "Renewable fuels" means fuels produced from renewable feedstocks. The tax credit claimed by a taxpayer shall not exceed \$3.5 million per taxable year and the credit is limited to aggregate claims of \$20 million per year. (Reference: Hawaii Revised Statutes §235-110.32)

##### **Alternative Fuel Tax Rate**

A distributor of any alternative fuel for operation in an internal combustion engine is required to pay a license tax of \$0.0025 for each gallon of alternative fuel sold or used by the distributor. In addition, a distributor is required to pay a license tax for each gallon of fuel sold or used by the distributor for operating a motor vehicle(s) on state public highways according to the following rates:

<b>Fuel Type</b>	<b>Tax</b>
Ethanol	0.145 times the rate for diesel
Methanol	0.11 times the rate for diesel
Biodiesel	0.25 times the rate for diesel
Liquefied Petroleum Gas (propane)	0.33 times the rate for diesel

For other alternative fuels, the rate is based on the energy content of the fuels as compared to diesel fuel, using a lower heating value of 130,000 British thermal units per gallon as a standard for diesel, so that the tax rate, on an energy content basis, is equal to one-quarter the rate for diesel fuel. (Reference: Hawaii Revised Statutes §243-4.)



### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
Tax rates vary by County	B100 is taxable	Subject to the Environmental Fee	Tax rates vary by County	Ethanol is taxable	Subject to the Environmental Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
Same as stated in Section 10.	Same as stated in Section 10.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	CNG is taxable.	The rate is based on the energy content of the fuels as compared to diesel fuel, using a lower heating value of 130,000 British thermal units per gallon as a standard for diesel, so that the tax rate, on an energy content basis, is equal to one-quarter the rate for diesel fuel.
<b>E85</b>	E85 is taxable.	0.145 times the rate for diesel.
<b>Electric Vehicles/Electricity</b>	Not subject to the fuel tax.	N/A
<b>Gasoline Hybrid Vehicles</b>	Gasoline is taxable.	\$0.16 / gallon.
<b>Hydrogen</b>	Hydrogen is taxable.	The rate is based on the energy content of the fuels as compared to diesel fuel, using a lower heating value of 130,000 British thermal units per gallon as a standard for diesel, so that the tax rate, on an energy content basis, is equal to one-quarter the rate for diesel fuel.
<b>LNG (Liquefied Natural Gas)</b>	LNG is taxable.	The rate is based on the energy content of the fuels as compared to diesel fuel, using a lower heating value of 130,000 British thermal units

		per gallon as a standard for diesel, so that the tax rate, on an energy content basis, is equal to one-quarter the rate for diesel fuel.
<b>LPG (Liquefied Petroleum Gas)</b>	LPG is taxable.	0.33 times the rate for diesel.
<b>Methanol or “M85”</b>	Methanol is taxable.	0.11 times the rate of diesel.
<b>Other</b>		

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Biodiesel Blend (&lt;B100) is taxable in Maui county (on highway)</b>	<b>See Announcement No. 2020-03</b>	<b>M-20A</b>

**Section 16-How does your state handle contaminated fuel?**

The handling of contaminated fuel is not addressed by Hawaii tax law.

**Section 17-Does your state allow bad debt credits?**

Hawaii does not have bad debt credits.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Form M-20A, Monthly Return of Liquid Fuel Tax (State and County) and Environmental Response, Energy, and Good Security Tax	Form M-20A must be filed on or before the 20th day of each month, showing the fuel sold or used during the preceding calendar month.	Payment of the tax is due on or before the 20th day of each month on fuel sold or used during the preceding calendar month.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

A tax return that is postmarked by the due date is considered to be timely filed.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

A tax return that is posted by 11:59 pm (HST) on the due date is considered to be timely filed. Fuel tax returns for taxable periods beginning on or after September 1, 2019 will be required to be filed electronically. See Department of Taxation Announcement No. 2019-02, available at <http://files.hawaii.gov/tax/news/announce/ann19-02.pdf> for more information.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The tax returns and payments are due the next regular workday.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties

The penalty for failure to file a return on time is assessed on the tax due at a rate of 5% per month, or part of a month, up to a maximum of 25%.

The penalty for failure to pay the tax after filing a timely return is 20% of the tax unpaid within 60 days of the prescribed due date.

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Mixtures containing 85% or more by volume of denatured ethanol with gasoline or other fuels are considered to be an alternative fuel.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Hawaii does not require transporter returns.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Not applicable.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Hawaii imposes a general excise tax on the gross income received (less fuel taxes paid) from the sale of gasoline, clear diesel, or dyed diesel at the rate of 4.5% including the county surcharge for retail sales and at the rate of 0.5% for wholesale sales.

Any rate changes would require approval by the Hawaii State Legislature.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Hawaii does not have bonding requirements for our motor fuel licenses.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale

- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier		1,2,3,4,8, 9
Terminal Operator		10
Distributor		1,2,3,4,8,9
Exporter		2

Every distributor is required to register with the Department of taxation. “Distributor” means: (1) Every person who refines, manufactures, produces, or compounds liquid fuel or fossil fuel in the State and sells or uses the same therein; (2) Every person who imports or causes to be imported into the State any liquid fuel or fossil fuel and sells it therein, whether in the original packages or containers in which it is imported or otherwise than in the original packages or containers, or who imports any liquid fuel or fossil fuel for the person’s own use in the State; (3) Every person who acquires liquid fuel or fossil fuel from a person not a licensed distributor and sells or uses it, whether in the original package or container in which it was imported (if imported) or otherwise than in the original package or container; and (4) Every person who acquires liquid fuel or fossil fuel from a licensed distributor as a wholesaler thereof and sells or uses it (Section 243-1, HRS).

The distributor is required to pay the fuel tax to the State (see section 243-4, HRS). From the definition above, it is clear that the tax is to be paid by the first party who sells or uses fuel in Hawaii and is subject to the State's taxing jurisdiction. The tax does not apply to exported fuel.

Hawaii's general excise tax applies to fuel used or consumed in Hawaii. A wholesale rate applies to sales at wholesale, but sales from one refiner to another are exempt under section 237-27, HRS.

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

The State's fuel tax is imposed on the distributor (see the response to question 27). The State's general excise tax is imposed on the business or end user. In either case, the business is entitled, but not required, to pass the tax forward to the customer.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns can be filed either electronically or by paper. When an amended returns is filed, all lines used in computation of the fuel tax must be completed on the amended return) lines 1 through 46 on Form M-20A).

**Section 34-Does your state allow credit and rebills on the current month report?**

N/A

**Section 35-How many days are allowed to report late loads?**

N/A

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

N/A

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

The U.S. Government is exempt for official government use only. (Reference: Hawaii Revised Statutes §243-7)

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

The statute of limitations for an amendment to remit additional tax is within three years after filing of the tax return or within three years of the due date prescribed for the filing of the tax

return, whichever is later. (Reference: Hawaii Revised Statutes §243-14(b))

**Section 39-What is your statute of limitations to refund motor fuel tax?**

The statute of limitations for a refund of the motor fuel tax is within three years after filing of the tax return or within three years of the due date prescribed for the filing of the tax return, whichever is later. (Reference: Hawaii Revised Statutes §243-14(b))

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both. A taxpayer may amend their originally filed Form M-20 and a user of fuel may file Form M-36 to request a refund of motor fuel taxes paid in excess.

**Section 41- Does your state accept electronic BOLs?**

N/A

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

N/A

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Tax returns and instructions are available on our state's website at [tax.hawaii.gov](http://tax.hawaii.gov) under Forms and Publications. To file a tax return electronically, please see our state's internet portal Hawaii Tax Online (HTO [hitax.hawaii.gov](http://hitax.hawaii.gov)).

# STATE OF IDAHO

## **Section 1-Contact Information**

**Agency:** Idaho State Tax Commission

**Street Address:** 11321 W. Chinden Blvd. Bldg. 2

**City, State Zip Code:** Boise, ID 83714

**Webpage:** <https://tax.idaho.gov/index.cfm>

**Fuel Tax information on the Fuels Tax Hub:** <https://tax.idaho.gov/i-2021.cfm>

**Contacts:** Elena Gonzalez, Tax Research Specialist  
Governmental Affairs, Taxpayer Resources Unit  
Phone: (208) 334-7855, Fax: (208) 334-7690  
Email: [elena.gonzalez@tax.idaho.gov](mailto:elena.gonzalez@tax.idaho.gov)

Misti Alvarez, Tax Audit Manager  
Fuels Tax and Registration Fee Audit Section  
Phone: (208)332-4081, Fax (208)332-6619  
Email: [misti.alvarez@tax.idaho.gov](mailto:misti.alvarez@tax.idaho.gov)

Bille Pierson, Tax Audit Manager  
Fuels Tax and Registration Fee Audit Section  
Phone: (208) 488-2089, Fax: (208) 332-6619  
Email: [bille.pierson@tax.idaho.gov](mailto:bille.pierson@tax.idaho.gov)

## **Section 2-Statutes and Rules**

### **Please give reference to your Statutes and Rules:**

The Idaho Fuels Tax Statute is in Title 63, Chapter 24,  
<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/>

Idaho Motor Fuels Tax Administrative Rules are in IDAPA 35.01.05,  
<https://adminrules.idaho.gov/rules/current/35/350105.pdf>.

## **Section 3-State Point of Taxation**

**Gasoline:** 1st Receiver.

**Diesel:** 1st Receiver.

**Aviation Gasoline:** 1st Receiver.

**Jet Fuel:** 1st Receiver.

Idaho defines “1<sup>st</sup> Receiver” in Idaho Code Section 63-2403

<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/SECT63-2403/>



**Gaseous special fuels:** Motor fuels in gaseous state at standard temperature and pressure.

**Propane (LPG)**

**Compressed Natural Gas (CNG)**

**Liquefied Natural Gas (LNG)**

**Hydrogen**

A distributor receives gaseous special fuels as defined in Idaho Code Section 63-2401(7)

<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/SECT63-2401/>

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

In Idaho, the first receiver is required to be a licensed fuel distributor. The first receiver owns the fuel when it is loaded into transportation equipment at an IRS recognized terminal or as it enters the state. Ownership can’t change at the border. For a complete explanation see IC §63-2403. <https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/SECT63-2403/>

Point of Taxation: See Section 3, above.

**Section 5-State Tax Rates**

Gross gallon tax rate:

**Gasoline:** \$0.32/gal plus \$0.01 transfer fee (7/1/2015)

**Diesel:** \$0.32/gal plus \$0.01 transfer fee (7/1/2015)

**Aviation Gasoline:** \$0.07/gal plus \$0.01 transfer fee (7/1/2008)

**Jet Fuel:** \$0.06/gal plus \$0.01 transfer fee (7/1/2008)

- Biodiesel and biodiesels blends (B00-B99) – taxed as diesel
- Ethanol and ethanol blends (E00-E99) – taxed as gasoline
- Methanol and methanol blends – taxed as gasoline

**Gaseous Special Fuels:** (transfer fee not included)

- Propane - \$0.232 per 4.25 lbs. (as of 7/1/2015)
- Compressed Natural Gas - \$0.32/GGE (gasoline gallon equivalent) as of 7/1/2015
- Liquefied Natural Gas - \$0.349/DGE (diesel gallon equivalent) as of 7/1/2015
- Hydrogen - \$0.32/GGE (gasoline gallon equivalent) as of 3/20/2020

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Tax is based on gross gallons pursuant to Idaho Motor Fuels Tax Administrative Rule 130, *Distributor’s Fuel Tax Reports*. [IDAPA 35 - State Tax Commission.book \(idaho.gov\)](https://www.idaho.gov/IDAPA-35-State-Tax-Commission-book)

**Section 6- What are the fees and rates associated on reportable products (i.e.**

**environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Idaho Code Sections 41-4903(23) – petroleum and petroleum products defined

Idaho Code Section 41-4909(7) – transfer fee imposed

<https://legislature.idaho.gov/statutesrules/idstat/Title41/T41CH49/>

The Idaho Petroleum Clean Water Trust Fund imposes a transfer fee of \$0.01/gal on all petroleum or petroleum products that are liquid at standard temperature and pressure.

See the “Distributors and the Transfer Fee” section on the Fuels Tax Hub at

<https://tax.idaho.gov/i-2021.cfm>

**Section 7-Rate Updates**

**Please list any rate updates for your state:** No updates in the past year. The last date a rate was changed is listed with the fuel type in Section 5, above.

**Section 8-State Collection Allowance**

There isn't a collection allowance. Idaho has a 2% loss allowance. The loss allowance is a reduction of tax due for loss from “evaporation, handling, spillage and shrinkage”. Idaho Code section 63-2407(4) at

<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/SECT63-2407/>.

**Section 9-State Diversion Requirements**

**Diversion Required:** No diversion is allowed. A corrected BOL must be issued and an amended return filed when the delivery destination changes.

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** N/A.

**What diversion registry program do you use?** N/A

**What products are subject to the diversion requirement?** N/A

**Diversion Requirements:** N/A

**What party should apply for the refund if applicable (Supplier, customer, etc.)** N/A

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**  
N/A

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** N/A

**Any Additional Comments?** Idaho does not track by diversion numbers.

## **Section 10-Alternative Fuels Incentives and Laws**

**State Incentives: No specific alternative fuel incentives.**

A sales/use tax exemption is allowed for commodities used as fuel to produce energy. Idaho Code Section 63-3622D(d).

<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH36/SECT63-3622D/>.

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.32/gallon	B100 is taxed as diesel	\$0.01/gal transfer fee is added	\$0.32/gallon	Ethanol is taxed as gasoline	\$0.01/gal transfer fee is added

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is a motor fuel and taxed as diesel, \$0.32/gallon. First receiver owes the tax.	Ethanol is a motor fuel and taxed as gasoline, \$0.32/gallon. First receiver owes the tax.

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.32/GGE	<b>5.66 lbs. or 126.67 cu. ft.= 1 GGE</b>
<b>E85</b>	\$0.32 per gallon fuels tax plus .01 per gallon transfer fee	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No VMT. Increased registration fees for electric vehicles	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	\$0.32/ gallon gasoline. No VMT. Increased registration fees for electric hybrids.	<b>Not Applicable</b>
<b>Hydrogen</b>	\$0.32/GGE	<b>1 kg = 1 GGE</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.349/DGE	<b>6.06 lbs. = 1 DGE</b>
<b>LPG (Liquefied Petroleum Gas)</b>	\$0.232 per gal	<b>4.25 lbs. = 1 Gal</b>

<b>Methanol or “M85”</b>	\$0.32 per gallon fuels tax plus \$0.01 per gallon transfer fee.	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>All</b>	<b>\$0.32/gallon</b>	<b>All</b>

**Section 16-How does your state handle contaminated fuel?**

On a case-by-case basis.

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
1450 Distributor’s Fuel Tax Report - Idaho	Last day of following month	Last day of following month
1452 Terminal Operator’s Report - Idaho	Last day of following month	Last day of following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmark.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11:59 pm MST on the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Idaho Code Section 63-3046. Penalties and Additions to the Tax in Case of Deficiency.

<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH30/SECT63-3046/>

Name of Report	Report Penalties	Payment Penalties
1450 Distributor's Fuel Tax Report-Idaho	Doesn't file a tax return on time (5% of the tax due/month)	Files a return but the tax due isn't paid (0.5% of the tax due/month)
	Files a return late and doesn't pay the tax when filed, 5.5%/month.	
	Minimum penalty is \$10.	
	There's no penalty when no tax is due.	

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Ethanol and ethanol blends (E00-E99) are taxed as gasoline. There's no special treatment for E85.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

May be required. Idaho Code Section 63-2436

<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/SECT63-2436/>

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

All transactions must be reported. The last transaction is taxable. Idaho Code Section 63-2403.

<https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/SECT63-2403/>

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?**  
**Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

All fuel is subject to sales tax unless an exemption applies. Any fuel is subject to sales tax when the fuel tax is refunded. Dyed diesel and any other motor fuel without fuel tax included in the price is subject to sales tax. Idaho Code Section 63-3622C at <https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH36/SECT63-3622C/>

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

A motor fuel distributor is required to have a bond when applying for a license. The bond amount is a minimum of \$1,000, two times the average monthly tax liability, or a maximum of \$200,000 (whichever is greater). A waiver can be requested. Idaho Code Section 63-2428. <https://legislature.idaho.gov/statutesrules/idstat/Title63/T63CH24/SECT63-2428/>

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExSTARS Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Motor Fuel Distributor	X	1,2,3,5,8,9,10
Limited Distributor	X (transfer fee only)	1,2,3,5,8,9,10
Gaseous Special Fuel	X (gaseous only)	4

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Idaho requires the distributor to properly license and pay all taxes in any state in which it operates.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns must be filed on a paper report. If you kept a copy of the original report, correct the amounts on pages 1 and 2. If you didn't keep a copy of the original report, you can get a blank form by contacting the Tax Commission. Complete pages 1 and 2 using the corrected amounts. Don't enter the net change. If you're correcting load information, include only schedule details about the corrected loads.

**Section 34-Does your state allow credit and rebills on the current month report?**

No. The distributor must amend any return filed with incorrectly or missing information.

**Section 35-How many days are allowed to report late loads?**

None. Penalty and interest apply when the return and payment aren't received by the due date.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Motor Fuels Tax Administrative Rule 150 (IDAPA 35.01.05) give invoice requirements. Rule 150 is at <https://adminrules.idaho.gov/rules/current/35/350105.pdf>

1. Preprinted invoice number,
2. Distributor's name and address,
3. Purchaser's name and address,
4. Sale or delivery date,
5. Fuel type,
6. Gross gallons invoiced,
7. Price per gallon,
8. Total amount charged, and

9. Proof of tax payment by including one of the following:
  - a. Amount of fuel tax,
  - b. Fuel tax rate, or
  - c. Statement that fuel tax is included in the price.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

No entity which qualifies a licensed distributor is exempt from motor fuels tax. A distributor isn't required to be licensed when purchasing and selling only fuel on which the fuel tax and transfer fee (when applicable) is included in the price.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

3 years from the return due date.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

3 years from the return due date or when filed, whichever is later.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both. The distributor amends its return. The final consumer files a Form 75, Idaho Fuel Use Report.

**Section 41- Does your state accept electronic BOLs?**

Yes

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Either. We accept both the BOL or the delivery date – as long as the company is consistent in how they file the 1450 Distributor's Fuel Tax Report.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

The Distributor's Fuel Tax Report Instructions and a Sample Form 1450, *Distributor's Fuel Tax Report*, are available on our webpage, [Fuel Distributors Filing | Idaho State Tax Commission](#). However, a tax return template for use by taxpayers is not available online.



# STATE OF ILLINOIS

## **Section 1-Contact Information**

**Agency:** Illinois Department of Revenue

**Name:** Tina Whitehead

**Street Address:** 101 West Jefferson MC 2-265

**City, State Zip Code:** Springfield, IL 62702

**Phone Number:** 217-782-4187

**Fax Number:** no fax

**E-mail Address:** [Christina.Whitehead@illinois.gov](mailto:Christina.Whitehead@illinois.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

[Motor Fuel Tax Law 35 ILCS 505](#) [Motor](#)

[Fuel Tax Regulations Part 500](#)

[Retailers' Occupation Tax Act 35 ILCS 120](#)

[Environmental Impact Fee Law 415 ILCS 125](#)

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor /Supplier

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-

Point of Taxation: Distributor and Supplier are responsible for remitting the State Motor Fuel Tax. (35 ILCS 505/6 and 35 ILCS 505/6a)

## **Section 5-State Tax Rates**

<b>Gasoline:</b>	\$0.454 Fuel Tax	\$0.011 UST/EIF (07/01/2023 – 06/30/2024)
	\$0.470 Fuel Tax	\$0.011 UST/EIF (07/01/2024 – 06/30/2025)
<b>Diesel:</b>	\$0.529 Fuel Tax	\$0.011 UST/EIF (07/01/2023 – 06/30/2024)

**\$0.545 Fuel Tax      \$0.011 UST/EIF (07/01/2024 – 06/30/2025)**

**Aviation Fuel:** \$0.011 UST / EIF - (35 ILCS 505/2a) Beginning January 1, 2021; the Underground Storage Tank Tax and Environmental Impact Fee are not imposed on the sale or use of aviation fuel for so long as the revenue use requirements of 49 U.S.C 47107(b) and 49 U.S.C. 47133 are binding on the State.

(35 ILCS 505/2b) For the purposes of this Law, “aviation fuel” means jet fuel and aviation gasoline.

**Jet Fuel:** \$0.011 UST / EIF - (35 ILCS 505/2a) Beginning January 1, 2021; the Underground Storage Tank Tax and Environmental Impact Fee are not imposed on the sale or use of aviation fuel for so long as the revenue use requirements of 49 U.S.C 47107(b) and 49 U.S.C. 47133 are binding on the State.

(35 ILCS 505/2b) For the purposes of this Law, “aviation fuel” means jet fuel and aviation gasoline.

- Illinois also imposes a Sales Tax on Motor Fuel. The pre-paid sales tax rate is adjusted every six (6) months (January and July).
- 

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Billed gallons – (35 ILCS 505/5) and (35 ILCS 505/5a)

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Underground Storage Tank Tax:      \$.003 (35 ILCS 55/2a) and (35 ILCS 55/8a)  
Environmental Impact Fee:      \$.008 (415 ILCS 125/310)

**Section 7-Rate Updates**

**Please list any rate updates for your state:**

Each subsequent July 1<sup>st</sup>, there could be a possible tax rate increase equal to the percentage increase, if any, in the Consumer Price Index for All Urban Consumers for all items published by the United States Department of Labor for the 12 months ending in March of each year.

Effective July 1, 2024; the Illinois Motor Fuel tax rate for gasoline/gasohol/CNG increased to \$0.470 and special fuel/LNG/Propane increased to \$0.545.

## **Section 8-State Collection Allowance**

1.75% discount is allowed when returns have been timely filed and payments have been timely paid.

## **Section 9-State Diversion Requirements**

**Diversion Required:** No

**If Diversion is required, please state the Statute and/or Rule required to obtain a Diversion Number.** N/A

**What diversion registry program do you use?** N/A

**What products are subject to the diversion requirement?** N/A

### **Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc.)** N/A

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?** N/A

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** Yes

**Any Additional Comments?** Although diversions are not required, if taxpayer indicates a diversion was filed, may need to submit the diversion documentation as a verification for filing differently than as invoiced.

## **Section 10-Alternative Fuels Incentives and Laws**

Illinois is the proud home of the Chicago Area Clean Cities Coalition ([www.chicagocleancities.org](http://www.chicagocleancities.org)). Coordinator contact information is listed in the Points of Contact section on the website.

### **State Incentives**

#### **Electric Vehicle (EV) and EV Charging Station Manufacturing Tax Credits**

The Illinois Department of Commerce and Economic Opportunity 's Reimagining Electric Vehicles in Illinois Program (REV Illinois Program) offers tax credits to eligible EV, EV component parts, and EV charging station manufacturers. Credits are available in two tiers. Tier 1 credits are available to EV, EV component, and EV charging station manufacturers that invest a minimum of \$20 million and create a at least 50 new jobs within 4 years in Illinois. Tier 2 credits are available to the following entities:

- EV manufacturers that invest a minimum of \$1.5 billion and create at least 500 jobs within 5 years in Illinois.
- EV component part manufacturers that invest a minimum of \$300 million and create at least 150 jobs within 5 years in Illinois; and,
- Manufacturers converting existing facilities to allow for EV and EV component production that invest a minimum of \$100 million and create at least 75 new jobs within 5 years in Illinois.

Tax credit amounts vary, and additional eligibility requirements may apply. Tax credits increase for businesses located in priority areas, which includes underserved communities or communities in energy transition areas. Tier 2 applicants may also be eligible for the following tax exemptions:

<b>Tax Exemption Overview</b>	<b>Credit Expiration</b>
Exemption from retailer occupation tax paid on building materials	5 years
Exemption from state utility tax for electricity and natural gas	10 years
Exemption on telecommunication excise tax and ICC administrative charge	10 years

Credits may be claimed beginning January 1, 2025. For more information, see the Illinois Department of Commerce and Economic Opportunity [REV Illinois Program](#) website.

(Reference [Public Act 102-0669](#) and [Senate Bill 1963, 2023](#))

### **Electric Vehicle (EV) Rebates**

The Illinois Environmental Protection Agency (IEPA) offers rebates to residents for the purchase or lease of a new or pre-owned EV. Rebates amounts are available according to the following schedule:

<b>Purchase Timeframe</b>	<b>Rebate Amount</b>
July 1, 2022 – June 30, 2026	\$4,000
July 1, 2026 – June 30, 2027	\$2,000
Beginning July 1, 2028	\$1,500

IEPA also offers rebates of \$1,500 to Illinois residents for the purchase of an electric motorcycle. EV owners must apply for the rebate within 90 days of purchasing or leasing and registering the EV in Illinois. Applicants may only receive one rebate in a 10-year period. Rebate award amounts may not exceed the purchase price of the vehicle. Low-income applicants will be given funding priority. Additional restrictions apply. For more information, see the IEPA [EV Rebate](#) website.

(Reference [Public Act 102-0662](#))

### **Diesel Emission Reduction Grants**

The Illinois Environmental Protection Agency (IEPA) administers the Driving a Cleaner Illinois program for diesel emission reduction projects. Projects are funded by Illinois' portion of the [Volkswagen Environmental Mitigation Trust](#), the U.S. Environmental Protection Agency's [Diesel Emission Reduction Act \(DERA\) Program](#), and the U.S. Department of Transportation Federal Highway Administration's [Congestion Mitigation and Air Quality Improvement \(CMAQ\) Program](#). For more information, including funding availability, see the IEPA [Driving a Cleaner Illinois](#) website.

### **Electric Vehicle (EV) Charging Station Rebate**

The Illinois Environmental Protection Agency (IEPA) offers grants to public and private entities for the installation and maintenance of publicly available Level 2 and direct current fast charging (DCFC) stations. Rebate awards may cover up to 80% of the eligible project costs. Additional rebates are available for EV charging stations deployed in underserved and environmental justice communities. For more information, see the IEPA [Climate and Equitable Jobs Act](#) website.

(Reference [Public Act 102-0662](#))

### **Battery Electric Vehicle (BEV) Emissions Inspection Exemption**

BEVs are exempt from state motor vehicle emissions inspections. For more information, see the Illinois Environmental Protection Agency's [Vehicle Emissions Testing Program](#) website.

(Reference 625 [Illinois Compiled Statutes](#) 5/13C)

### **School Bus Retrofit Reimbursement**

The Illinois Department of Education will reimburse any qualifying school district for the cost of converting gasoline buses to more fuel-efficient engines or to engines using alternative fuels.

Restrictions may apply. (Reference 105 [Illinois Compiled Statutes](#) 5/29-5)

### **Fleet User Fee Exemption**

Fleets with 10 or more vehicles located in defined areas of the state must pay an annual fee of \$20 per vehicle in addition to registration fees. Owners of electric vehicles are exempt from this fee. The Office of the Illinois Secretary of State will deposit all fees into the Alternate Fuels Fund. (Reference 415 [Illinois Compiled Statutes](#) 120/35)

### **Idle Reduction Weight Exemption**

A vehicle equipped with idle reduction technology may exceed the state's gross, axle, and bridge vehicle weight limits by up to 500 pounds to compensate for the additional weight of the idle reduction technology. The additional weight may not exceed the actual weight of the idle reduction unit. The vehicle operator must carry written certification showing the weight of the technology and must be able to demonstrate or certify that the unit is fully functional. (Reference 625 [Illinois Compiled Statutes 5/15-112](#))

### **Natural Gas and Propane Vehicle Weight Exemption**

A vehicle powered by natural gas or propane may exceed the state's gross, axle, and bridge vehicle weight limits by up to 2,000 pounds. This exemption does not apply on interstate highways. (Reference 625 [Illinois Compiled Statutes 5/15-111](#))

### **Smart Grid Infrastructure Development and Support**

The Illinois Science and Energy Innovation Trust (Trust) will provide financial and technical support to public and private entities within the state for programs and projects that support, encourage, or utilize innovative technologies and methods to modernize the state's electric grid. Technologies may include advanced electricity storage and peak-shaving technologies, such as electric vehicles (EV) or devices that allow EVs to engage in smart grid functions. The Trust also offers assistance for standards development for communication and interoperability of appliances and equipment connected to the electric grid. Electric utilities may voluntarily commit to investments in smart grid advanced metering infrastructure deployment. Participating utilities must consult with the Smart Grid Advisory Council and file a Smart Grid Advanced Metering Infrastructure Deployment Plan with the Illinois Commerce

Reference [220 Illinois Compiled Statutes 5/16-108.5 through 108.7](#))

### **Transportation Electrification Infrastructure Projects**

The Illinois Environmental Protection Agency (IEPA) will provide transportation electrification grants in the amount of \$70,000,000 for including but not limited to electric vehicle charging infrastructure. The IEPA will prioritize investments in medium- and heavy-duty vehicle charging, and electrification of public transit, fleets, and school buses.

(Reference [Public Act 100-0029](#))

### **Illinois' National Electric Vehicle Infrastructure (NEVI) Planning**

The U.S. Department of Transportation's (DOT) [NEVI Formula Program](#) requires the Illinois Department of Transportation (IDOT) to submit an annual EV Infrastructure Deployment Plan (Plan) to the DOT and U.S. Department of Energy (DOE) [Joint Office of Energy and Transportation](#) (Joint Office), describing how the state intends to distribute NEVI funds. The submitted plans must be established according to [NEVI guidance\(PDF\)](#).

For more information about Illinois' NEVI planning process, see the IDOT [Drive Electric Illinois](#) website. To review Illinois' NEVI plan, see the Joint Office [State Plans for EV Charging](#) website.

## **Utility/Private Incentives**

### **Electric Vehicle (EV) Time-Of-Use (TOU) Rate - Ameren Illinois**

Ameren Illinois offers a TOU rate to residential customers that own or lease a EV. For more information, see the Ameren Illinois [EV Rate Residential Program](#) website.

### **Electric Vehicle (EV) Infrastructure Support**

Illinois utilities joined the National Electric Highway Coalition (NEHC), committing to create a network of direct current fast charging (DCFC) stations connecting major highway systems from the Atlantic Coast to the Pacific of the United States. NEHC utility members agree to ensure efficient and effective fast charging deployment plans that enable long distance EV travel, avoiding duplication among coalition utilities, and complement existing corridor DCFC sites. For more information, including a list of participating utilities and states, see the [NEHC](#) website.

## **State Laws**

### **Lake Michigan Electric Vehicle (EV) Circuit**

Illinois joined Michigan, Indiana, and Wisconsin (Signatory States) in signing the Lake Michigan EV Circuit Tour memorandum of understanding (MOU) to create an EV charging corridor along the Lake Michigan coastline that is intended to make it possible to seamlessly drive an EV across the Signatory States' that border Lake Michigan. Signatory States are committed to:

- Coordinating on regional EV charging infrastructure siting and deployment strategies;
- Achieving a consistent EV charging station user experience across Signatory States;
- Encouraging EV tourism around Lake Michigan;
- Removing barriers to EV adoption and reducing range anxiety;
- Identifying and developing best practices for EV charging, infrastructure optimization, information sharing, and electricity demand management;
- Providing reliable long-distance driving routes for EV drivers.

The Signatory States will maintain a working group composed of senior leadership from each state who will meet and report on the above actions. For more information, see the [MOU](#)

## **Regional Electric Vehicle (REV) Midwest Plan**

Illinois joined Indiana, Michigan, Minnesota, and Wisconsin (Signatory States) in signing the REV Midwest [memorandum of understanding\(PDF\)](#) (MOU) to accelerate vehicle electrification in the Midwest. Signatory States are committed to:

- Accelerate medium- and heavy-duty fleet electrification;
- Collaborate on regional electric vehicle (EV) charging station siting and deployment analyses with a focus on commercial routes;
- Standardize regulations, messaging, and customer experience related to electric vehicles (EVs) across state lines;
- Evaluate opportunities for workforce development;
- Identify historically disadvantaged communities for equitable EV charging station development and EV adoption; and,
- Educate consumers and fleet owners to raise EV awareness, reduce range anxiety, and increase EV adoption.

The Signatory States maintain a coordination group composed of senior leadership from each state who meet and report on the above actions. For more information, see the REV Midwest [Partnership Announcement](#).

## **Battery Electric Vehicle (BEV) Fee**

BEV owners must pay an annual fee of \$100 in addition to standard registration fees. A portion of the fees contribute to the Illinois Road Fund.

(Reference 625 [Illinois Compiled Statutes](#) 5/3- 805)

## **Connected and Autonomous Vehicle (CAV) Initiative**

The Illinois Department of Transportation's (IDOT) Autonomous Illinois initiative was established to promote the development, testing, and deployment of CAV technologies and related infrastructure. IDOT partners with state agencies to:

- Review CAV research, pilot projects, and other relevant information to determine best practices for vehicle testing, technology deployment, law enforcement collaboration, insurance coverage, liability determinations, data-sharing arrangements, privacy issues, and infrastructure needs;
- Evaluate current laws and regulations applicable to CAVs;
- Pursue opportunities to make Illinois a leader in CAV transportation;
- Collaborate with industry experts on the latest developments in CAV systems, cybersecurity, network infrastructure, and other innovative areas;
- Work with stakeholders to strengthen the sharing and analysis of CAV generated data to enhance planning, operations and maintenance throughout the state and identify areas of interest and potential pilot projects related to improved safety and mobility for the elderly, disabled, and underserved populations;



- Develop and implement a plan to address changing education and workforce training needs related to CAV technology development;
- Identify public-private partnership opportunities to increase efficiency in the transportation network and seek savings for taxpayers;
- Maintain a website to provide updates on the Autonomous Illinois initiative and offer educational resources for the public and interested stakeholders; and
- Inform Illinois agencies, partner entities, and the public about the work of the Autonomous Illinois and its findings.

(Reference [Executive Order](#) 13, 2018)

### **Autonomous Vehicle Testing Program**

The Autonomous Illinois Testing Program (Program) encourages the partnership between the State and other entities developing connected autonomous vehicle (CAV) technology and infrastructure. The Program facilitates legal testing and programs on public roads and highways and requires that a licensed driver remains behind the wheel. The Illinois Department of Transportation will create a registration system for entities wishing to conduct safe pilots or tests of connected and autonomous vehicles and will file a report with the governor on the status of the Program each December 31 and June 30 until the program ends.

(Reference [Executive Order](#) 13, 2018)

### **Alternative Fuels Tax and Reporting**

Alternative fuel dealers must sell liquefied natural gas (LNG) and propane used as motor fuel in diesel gallon equivalents (DGEs). For taxation purposes, LNG and propane must be reported as DGEs and are taxed at a rate of \$0.529 per DGE. One DGE is equal to 6.06 pounds (lbs.) of LNG and 6.41 lbs. of propane. Alternative fuel dealers must sell compressed natural gas (CNG) used as motor fuel in gasoline gallon equivalents (GGEs). CNG must be reported in GGEs and is taxed at a rate of \$0.454 GGE. One GGE is equal to 5.66 lbs. of CNG. The motor fuels tax increases annually on July 1 by an amount equal to the percentage increase of the United States Department of Labor's [Consumer Price Index for All Urban Consumers](#). For current tax rates, see the [Illinois Motor Tax Rates and Fees](#) website. (Reference 35 [Illinois Compiled Statutes](#) 505/1.8 and 505/2)

### **Highway Electric Vehicle (EV) Charging Station Installation Authorization**

The Illinois Department of Transportation (IDOT) may install EV charging stations at each interstate highway rest area where electrical service will reasonably permit, if these installations and charging EV charging station user fees are allowed by federal regulations. IDOT may adopt specifications detailing the type of EV charging station and rules governing station siting, user fees, and maintenance. (Reference 605 [Illinois Compiled Statutes](#) 5/4-223)

### **Toll Highway Electric Vehicle (EV) Charging Station Installation Requirement**

The Illinois State Toll Highway Authority (ISTHA) must construct and maintain at least one EV charging station at any location along toll highways where it has entered into an agreement with an entity for the purposes of providing motor fuel service stations and facilities, garages, stores, or restaurants. ISTHA may charge a fee for the use of the EV charging stations to offset the costs of construction and maintenance. ISTHA may also adopt rules regarding station siting, user fees and maintenance. (Reference 605 [Illinois Compiled Statutes](#) 10/11(e))

### **Electric Vehicle (EV) Charging Station Installation Requirements**

Vendors that install EV charging stations must comply with Illinois Commerce Commission (ICC) certification requirements. For specific requirements, see the ICC [EV Charging Station Installer Certification](#) website. (Reference 220 [Illinois Compiled Statutes](#) 5/3-105, 5/16-102, and 5/16-128A)

### **Electric Vehicle (EV) Parking Space Regulation**

An individual may not park a motor vehicle within any parking space specifically designated for parking and charging EVs unless the motor vehicle is an EV. Violators may be subject to a fine of up to \$100, in addition to costs associated with the removal of the vehicle from the parking spot. (Reference 625 [Illinois Compiled Statutes](#) 5/11-1308)

### **Public Utility Definition**

An entity that owns, controls, operates, or manages a facility that supplies electricity to the public exclusively to charge all-electric and plug-in hybrid electric vehicles are not defined as a public utility. An entity that supplies compressed natural gas to fuel natural gas vehicles is also not defined as a public utility. (Reference 220 [Illinois Compiled Statutes](#) 5/3-105, and 20 [Illinois Compiled Statutes](#) 627/10)

### **Biodiesel Definition and Specification**

Biodiesel is defined as a fuel that is comprised of mono-alkyl esters of long-chain fatty acids derived from vegetable oils or animal fats and that conforms to ASTM standard D6751. All fuel consisting of at least 99% biodiesel (B99) that is sold or offered for sale must conform to [standard D6751](#). (Reference 815 [Illinois Compiled Statutes](#) 370/4)

### **Ethanol Definition and Specification**

Prior to January 1, 2024, majority blended ethanol fuel is defined as a blend of gasoline and denatured ethanol that contains between 10% and 30% gasoline and 70% and 90% ethanol by volume. Beginning January 1, 2024, majority blended ethanol fuel is defined as a blend of gasoline and denatured ethanol that contains between 17% and 49% gasoline and 50% and 82% ethanol by volume.

Mid-range ethanol blend is defined as a blend of gasoline and denatured ethanol that contains between 20% and 50% denatured ethanol. Ethanol blended fuels must comply with [ASTM Standard D5798-11](#).

(Reference [Senate Bill 1963, 2023](#))

### **Biodiesel Blend Use Requirement**

Any diesel-powered vehicle owned or operated by the state, county or local government, school district, community college, public college or university, or mass transit agency must use a biodiesel blend that contains at least 5% biodiesel (B5) when fueling at a bulk central fueling facility. These entities are required to use B5 where available unless the vehicle engine is designed or retrofitted to operate on a higher percentage of biodiesel or on ultra-low sulfur diesel. (Reference 20 [Illinois Compiled Statutes](#) 689/10 and 625 [Illinois Compiled Statutes](#) 5/12-705.1)

### **Biofuels Education and Promotion**

State agencies, including state-supported universities and colleges, must provide links from their websites to websites containing information on ethanol and biodiesel fuels. The links must connect to websites maintained and operated by state agencies and may also include links to private websites. (Reference 505 [Illinois Compiled Statutes](#) 150/5)

### **Advanced Vehicle Acquisition and Biodiesel Fuel Use Requirement**

All gasoline-powered vehicles purchased with state funds must be flex fuel vehicles (FFVs) or fuel-efficient hybrid electric vehicles (HEVs). FFVs are defined as automobiles or light trucks that operate on either gasoline or 85% ethanol (E85) fuel. Fuel-efficient HEVs are defined as automobiles or light trucks that use a gasoline or diesel engine and an electric motor to provide power and that gain at least a 20% increase in combined U.S. Environmental Protection Agency city-highway fuel economy over a comparable conventionally powered model. Any vehicle purchased with state funds that is fueled with diesel fuel must be certified by the manufacturer to run on 5% biodiesel (B5) fuel.

15% of all vehicles purchased with state funds must be fueled by electricity, natural gas, or liquefied petroleum gas, with the exception of Department of Corrections, Department of State Police patrol, and Secretary of State vehicles. Additional exemptions may apply.

The Chief Procurement Officer may determine that certain vehicle procurements are exempt from these requirements based on intended use or other reasonable considerations such as health and safety of Illinois citizens.

(Reference 30 [Illinois Compiled Statutes](#) 500/25-75)

### **Biofuels Preference for State Vehicle Procurement**

When awarding contracts that require vehicle procurement, state agencies may give preference to an otherwise qualified bidder who will fulfill the contract through the use of vehicles powered by ethanol produced from Illinois corn or biodiesel produced from Illinois soybeans. (Reference 30 [Illinois Compiled Statutes](#) 500/45-60)

### **State Vehicle Fuel Economy Requirements**

State contracts for the purchase or lease of new passenger automobiles must require the procurement of vehicle models that, according to the most current ratings published by the U.S. Environmental Protection Agency, can achieve at least the minimum average fuel economy in miles per gallon as specified in the federal Corporate Average Fuel Economy requirements. This requirement does not apply to station wagons, vans, four-wheel drive vehicles, and emergency vehicles. Additionally, the Chief Procurement Officer may make exemptions when there is a demonstrated need for a vehicle that does not meet the minimum average fuel economy standards. (Reference 30 [Illinois Compiled Statutes](#) 500/45-40)

### **Low-Speed Vehicle Access to Roadways**

Low-speed vehicles may operate on streets with posted speed limits up to 30 miles per hour (mph) if authorized by the local government. Low-speed vehicles are allowed to cross an intersection where the road or street has a posted speed limit of up to 45 mph. Low-speed vehicles may cross an intersection where the road or street has a posted speed limit of more than 45 mph if the intersection is controlled by a traffic light or a four-way stop sign. Local governments may restrict low-speed vehicle access on streets with posted speed limits of 30 mph or less if they determine that public safety may be jeopardized. A low-speed vehicle is defined as a four-wheeled motor vehicle capable of maintaining a speed of more than 20 mph, but not more than 25 mph, and conform to federal regulations under Title 49 of the [U.S. Code of Federal Regulations](#), section 571.500. (Reference 625 [Illinois Compiled Statutes](#) 5/1-140.7 and 5/11- 1426.2)

### **Zero-Emission Vehicles (ZEV) Deployment Support**

The Illinois Department of Central Management Services (CMS) must establish a State Fleet Working Group (Group) to develop and implement a ZEV procurement program for state agencies. The Group must propose standard procedures, identify external funding, evaluate financing and infrastructure needs, and develop a guide to assist agencies in electric vehicle fleet management. Additionally, CMS must develop a plan to install electric vehicle supply equipment on state property for visitor, employee, and state fleet use. The plan must use funding from the [Rebuild Illinois Capital Plan](#) where feasible. (Reference [Executive Order](#) 8, 2021)

### **Alternative Fuel Vehicles Labeling Requirement**

Vehicles powered by liquefied petroleum gas (propane) or compressed natural gas (CNG) must visibly display identifying decals, as established by the National Fire Protection Association's standards for the Storage and Handling of Liquefied Petroleum Gases and for CNG Vehicular Fuel Systems.

(Reference [625 Illinois Compiled Statutes 5/12-704.3](#))

### **Idle Reduction Requirement**

A person that operates a diesel powered motor vehicle with a gross vehicle weight rating (GVWR) of less than 8,000 pounds may not cause or allow the motor vehicle, when it is not in motion, to idle for more than a total of 10 minutes within any one-hour period. If the vehicle is waiting to weigh, load, or unload cargo or freight, it may idle for up to 30 minutes within any one-hour period. Applicable areas include the counties of Cook, DuPage, Lake, Kane, McHenry, Will, Madison, St. Clair, and Monroe, and the townships of Oswego (Kendall County) and Aux Sable and Goose Lake (Grundy County, as well as any other county with more than 3 million people but outside a municipality with less than 2 million people when within 200 feet of a residential area). Exceptions apply, including those pertaining to emergency vehicles, vehicle weight, traffic, auxiliary power unit use, remote starter systems, school buses, outside temperature, and more. (Reference [625 Illinois Compiled Statutes 5/11-1429](#))

### **Biodiesel Production Tax**

A private biodiesel producer that produces less than 5,000 gallons of biodiesel annually is subject to the annual state motor fuel tax. The return and payment of taxes for a given year are due by January 20 of the following year. A private biodiesel producer that produces more than 5,000 gallons of biodiesel annually must file returns and make state motor fuel tax payments on a monthly basis. The return and payment of taxes are due by the 20th day of each calendar month for the preceding calendar month. A private biodiesel fuel producer is defined as a person who converts biomass materials into biodiesel fuel or blends biodiesel fuel exclusively for personal use and not for sale. (Reference [35 Illinois Compiled Statutes 505/2, 505/2a, and 505/2d](#))

### **Alternative Fuel Labeling Requirement**

Retailers must display ratings on fueling pumps that are consistent with the percentage by volume of the alternative fuel being dispensed. The labels must be affixed to the front panel of the pump in a position that is clearly visible to the vehicle driver. The labeling must follow established labeling specifications. (Reference [815 Illinois Compiled Statutes 370/4.1](#))

### **Ethanol and Hydrogen Production Facility Permits**

The Illinois Environmental Protection Agency (EPA) may issue air pollution control permits

through the Bureau of Air for thermochemical conversion technology facilities that are constructed and operated to demonstrate the process of applying heat to woody biomass to produce ethanol or hydrogen for use as transportation fuel. Permit applicants must perform emissions testing during the required permit period and must submit the results of that testing to the Illinois EPA within 60 days after completion. (Reference 415 Illinois Compiled Statutes 5/39.9)

### **Utility Electric Vehicle (EV) Program Development Requirements**

The Illinois Commerce Commission (ICC) must convene a workshop to collect input for the design of utility beneficial electrification programs. The workshop must evaluate barriers, incentives, rate structures, investment opportunities, and other considerations for facilitating EV adoption. In March 2022, ICC published a [report](#) on workshop findings and recommendations for utility transportation electrification investments and incentives.

By July 1, 2022, electric utilities serving more than 500,000 customers must file a beneficial electrification plan with the ICC. Utility filings must take into consideration the ICC workshop report. The ICC must review and approve proposals by March 28, 2023. For more information, see the ICC [Beneficial Electrification Workshops](#) website.

(Reference [Senate Bill 2940, 2022](#) and [20 Illinois Compiled Statutes 627/45](#))

### **Electric School Bus Contract Authorization**

School boards may only enter school transportation contracts up to 10 years in length. Beginning January 1, 2024, school boards are authorized to enter transportation contracts for up to 15 years if the school transportation service utilizes a significant number of electric vehicles.

(Reference [House Bill 2235, 2023](#) and [105 Illinois Compiled Statutes 5/29-6.1](#))

### **Electric Vehicle (EV) Charging Station Building Standards for Residential Developments**

Beginning January 1, 2024, new construction of single-family homes must include a minimum of one EV-capable parking spot. New single-family homes or small multifamily dwellings that qualify as affordable housing must have one EV-capable parking space per dwelling.

Beginning March 31, 2024, all parking spaces at newly constructed or renovated large multifamily dwellings must be EV-capable.

Building permits for affordable single-family and multifamily developments must meet the following benchmarks to support the development of EV-capable parking spaces:

- Beginning January 1, 2026, 40% of parking spaces must be EV-capable.
- Beginning January 1, 2029, 50% of parking spaces must be EV-capable; and,
- Beginning January 1, 2034, 70% of parking spaces must be EV-capable.

EV-capable parking spaces have electric panel capacity and conduit to support a Level 2 EV charging station. Additional requirements apply.

(Reference [Senate Bill 40, 2023](#))

### **Electric Vehicle (EV) Charging Station Policies for Condominiums**

Beginning January 1, 2024, condominium or common interest associations may not prohibit or restrict the installation or use of EV charging stations in a unit owner's designated parking space. Associations may put reasonable restrictions on EV charging stations, but the policies may not increase the cost of the EV charging station or decrease its performance. Homeowners must comply with applicable health and safety codes and architectural standards, engage a licensed installation contractor, and provide a certificate of insurance. The unit owner is responsible for the cost of electricity consumption; the installation, operation, maintenance, repair, removal, or replacement of the station in their parking space; and any resulting damage to the EV charging station or surrounding area. Associations may also install EV charging stations in common areas for all unit owners and members of the association to use. Additional requirements apply.

(Reference [Senate Bill 40, 2023](#))

### **Electric Vehicle (EV) Charging Station Policies for Renters**

Beginning January 1, 2024, a tenant may install a Level 1 or Level 2 EV charging station at a parking space allotted for the lessee. Landlords may require reimbursement for EV charging station electricity consumption, charge a fee for access if a networked EV charging station, and charge a security deposit to cover the cost of restoring the property to its original condition if the tenant removes the EV charging station. The landlord may also require reimbursement for any wiring or electrical upgrades necessary to support the EV charging station. Renters must comply with applicable health and safety codes and architectural standards, engage a licensed installation contractor, and provide a certificate of insurance. Additional requirements apply.

(Reference [Senate Bill 40, 2023](#))

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
Same as diesel	Same as diesel	Same as diesel	Same as gasoline	Same as gasoline	Same as gasoline

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
Biodiesel (B00) is not considered a motor fuel unless sold or used for highway purposes. B00 must be reported when blended to produce a motor fuel. All other biodiesel amounts (B01 – B99) are reported same as diesel.	Denatured Ethanol (E00) is not considered a motor fuel unless sold or used for highway purposes. Ethanol must be reported when blended to produce a motor fuel. Ethanol blends (E01-E95) are reported same as gasoline.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Taxable when used or sold for on road use. Taxed at same rate as gasoline.	For purposes of calculating tax under the Motor Fuel Tax Law, a gallon of compressed natural gas means a quantity of compressed natural gas equal to 126.67 cubic feet of natural gas at 60 degrees Fahrenheit and one atmosphere of pressure. In the alternative, it means a quantity of compressed natural gas that weighs 5.66 pounds. (Gasoline Gallon Equivalent)
<b>E85</b>	Taxable and taxed at same rate as gasoline.	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Illinois Secretary of State charges an additional \$100 registration fee per year in lieu of the payment of motor fuel taxes	<b>Not Applicable</b>



<b>Gasoline Hybrid Vehicles</b>	N/A	<b>Not Applicable</b>
<b>Hydrogen</b>	N/A	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Taxable when used or sold for on road use. Taxed at same rate as diesel.	Liquefied Natural Gas is taxed at the equivalent energy content of a gallon of diesel fuel and shall be defined as 6.06 pounds of liquefied natural gas. (Diesel Gallon Equivalent)
<b>LPG (Liquefied Petroleum Gas)</b>	Taxable when used or sold for on road use. Taxed at same rate as diesel.	Liquid Petroleum Gas is taxed at the equivalent energy content of a gallon of diesel fuel and shall be defined as 6.41 pounds of propane. (Diesel Gallon Equivalent)
<b>Methanol or "M85"</b>	Taxable and taxed at same rate as gasoline.	<b>Not Applicable</b>
<b>Other</b>	N/A	<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

This is not maintained by the Illinois Department of Revenue.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>See Comment Below</b>		

Any product that is blended with either gasoline or undyed diesel for use in a licensed motor vehicle is taxable at the same rate as the gasoline and diesel.

**Section 16-How does your state handle contaminated fuel?**

There are various ways the department may handle contaminated fuel. Reporting will depend on the circumstance involving the contamination, product(s), and what was done with fuel.

**Section 17-Does your state allow bad debt credits?**

No. The State of Illinois does not allow for bad debt credits.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
RMFT-5: Motor Fuel Distributor/Supplier Tax Return	20 <sup>th</sup> of each calendar month for fuel purchased, acquired or received and sold, distributed or used during the preceding calendar month. It is mandatory for the return to be filed electronically.	20 <sup>th</sup> of the month following the month for which the return is made. It is mandatory for the payment to be made electronically.
RMFT-5-US: Underground Storage Tank Tax and Environmental Impact Fee Receiver Return	20 <sup>th</sup> of each calendar month for fuel purchased, acquired or received and sold, distributed or used during the preceding calendar month. It is mandatory for the return to be filed electronically.	20 <sup>th</sup> of the month following the month for which the return is made. It is mandatory for the payment to be made electronically.
RMFT-144: Alternative Fuels Return	Private biodiesel producer that blends less 5,000 gallons per year: return and payment of tax for a given year are due by January 20 of the following year. Private biodiesel producer that blends 5,000 or more gallons per year: returns and payments of tax are due between the 1 <sup>st</sup> and 20 <sup>th</sup> days of each calendar month for the preceding calendar month.	Private biodiesel producer that blends less 5,000 gallons per year: return and payment of tax for a given year are due by January 20 of the following year. Private biodiesel producer that blends 5,000 or more gallons per year: returns and payments of tax are due between the 1 <sup>st</sup> and 20 <sup>th</sup> days of each calendar month for the preceding calendar month. For all other fuel types, the payment must be made by the 20 <sup>th</sup> of the month following the month for which the sales took place.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Distributors, Suppliers and Receivers file the RMFT-5 and RMFT-5-US returns. These returns are required to be filed electronically. All electronically required returns are time/date stamped when submitted. The RMFT-144, Alternative Fuel return, can be filed electronically or by submitting a paper return. Postmarked dates determine timeliness on paper-filed RMFT-144s.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

A submission of a return and payment at or before 11:59:59p.m. on the due date is considered timely filed/paid.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If the due date for any return, report, payment, statement or other document required or authorized to be filed with the Department falls on Saturday, Sunday or a holiday as defined or fixed in any statute now or hereafter in force in this State, such due date shall be considered to be the next business day either for the purpose of submitting such return or other report or payment by U.S. Mail or for the purpose of submitting such return or other report by any means other than the U.S. Mail .

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
RMFT-5: Motor Fuel Distributor/Supplier Tax Return	<p><b>Tier 1</b> — the lesser of \$250 or 2% of the tax required to be shown due on the return and reduced by timely payments or credits. If the return is timely filed but cannot be processed, you will have 30 days to correct the return before penalty is due.</p> <p><b>Tier 2</b> — If you do not file a return within 30 days after receiving a notice of non-filing, an additional penalty will be imposed equal to the greater of \$250 or 2% of the tax shown due on the return without regard to timely payments. The additional penalty may not exceed \$5,000. The penalty will be assessed even if there is no tax due.</p>	<p>Penalty is based on the number of days the tax required to be shown due on the return is late.</p> <p>1 - 30 days: 2%</p> <p>31 + days: 10%</p> <p>However, the penalty is 15% of any amount that is not paid until after the initiation of an audit or investigation of your liability and 20% of any amount that is not paid within 30 days after the issuance of an audit-prepared amended return or Form IL-870, Waiver of Restrictions, at the conclusion of the audit or investigation. The 20% penalty rate also applies to any amount paid within the 30-day period if you fail to sign and return the amended return within that period or if you pay the liability under protest or subsequently file</p>

		a claim or refund of the payment.
RMFT-5-US: Underground Storage Tank Tax and Environmental Impact Fee Receiver Return	<p><b>Tier 1</b> — the lesser of \$250 or 2% of the tax required to be shown due on the return and reduced by timely payments or credits. If the return is timely filed but cannot be processed, you will have 30 days to correct the return before penalty is due.</p> <p><b>Tier 2</b> — If you do not file a return within 30 days after receiving a notice of non-filing, an additional penalty will be imposed equal to the greater of \$250 or 2% of the tax shown due on the return without regard to timely payments. The additional penalty may not exceed \$5,000. The penalty will be assessed even if there is no tax due.</p>	<p>Penalty is based on the number of days the tax required to be shown due on the return is late.</p> <p>1 - 30 days: 2% 31 + days: 10%</p> <p>However, the penalty is 15% of any amount that is not paid until after the initiation of an audit or investigation of your liability and 20% of any amount that is not paid within 30 days after the issuance of an audit-prepared amended return or Form IL-870, Waiver of Restrictions, at the conclusion of the audit or investigation. The 20% penalty rate also applies to any amount paid within the 30-day period if you fail to sign and return the amended return within that period or if you pay the liability under protest or subsequently file a claim or refund of the payment.</p>
RMFT-144: Alternative Fuels Return	<p><b>Tier 1</b> — the lesser of \$250 or 2% of the tax required to be shown due on the return and reduced by timely payments or credits. If the return is timely filed but cannot be processed, you will have 30 days to correct the return before penalty is due.</p> <p><b>Tier 2</b> — If you do not file a return within 30 days after receiving a notice of non-filing, an additional penalty will be imposed equal to the greater of \$250 or 2% of the tax shown due on the return without regard</p>	<p>Penalty is based on the number of days the tax required to be shown due on the return is late.</p> <p>1 - 30 days: 2% 31 + days: 10%</p> <p>However, the penalty is 15% of any amount that is not paid until after the initiation of an audit or investigation of your liability and 20% of any amount that is not paid within 30 days after the issuance of an audit-</p>

	to timely payments. The additional penalty may not exceed \$5,000. The penalty will be assessed even if there is no tax due.	prepared amended return or Form IL-870, Waiver of Restrictions, at the conclusion of the audit or investigation. The 20% penalty rate also applies to any amount paid within the 30-day period if you fail to sign and return the amended return within that period or if you pay the liability under protest or subsequently file a claim or refund of the payment.
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**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E-85 is reported the same as gasoline. The State of Illinois requires all blend amounts to be reported on the blending schedule and then brought into accounting on the receipt schedule.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No. Effective January 1, 2023; Public Act 102-0851 removed Section 35 ILCS 505/7b from the Motor Fuel Tax statutes. The section originally required carriers to file a carrier report.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

The State of Illinois does not have provisions allowing deferrals of the State Motor Fuel Tax, Underground Storage Tank Tax, or Environmental Impact Fee.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Yes, sales tax is imposed on gasoline, clear diesel, and dyed diesel. The State of Illinois imposes a 6.25% sales tax rate on the sales of gasoline, clear diesel, and dyed diesel per gallon. An additional sales tax amount may be charged at the local level and county level. Rates may change effective either January 1 or July 1 of each year.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

All Motor Fuel Tax license applicants must post a bond based on an amount that will protect the State of Illinois against failure to pay the amount hereinafter provided on motor fuel sold, distributed, exported, and used. Bonds are reviewed annually. Licensees with 48 months good compliance can request a release of their bond.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	X	1,2,3,4,5,6,8,9
Supplier	X	1,2,3,4,5,6,8,9
Receiver	X	1,2,3,4,5,6,8,9
Alternative Fuel Supplier	X	4

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

As stated above, the taxpayer can view the originally filed return on MyTax. The taxpayer can make adjustments to return and schedules and then submit changes as an amended return.

**Section 34-Does your state allow credit and rebills on the current month report?**

Credits and rebills should be reported on the same liability period as the original invoice.

**Section 35-How many days are allowed to report late loads?**

30 days.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

(35 ILCS 505/2a) - Invoice

All invoices require the tax to be listed as a separate item. Also, invoices are required to have a special notation on the invoice indicating when the delivery was made to the purchaser's barge, ship or vessel while afloat upon a bordering river.

(35 ILCS 505/4e) – Invoice/BOL

“A legible and conspicuous notice stating: “Dyed Diesel Fuel, Non-taxable Use Only, Penalty For Taxable Use” must appear on all bills of lading and invoices accompanying any sale of dyed diesel fuel.”

(35 ILCS 505/5 and 5a) – Invoice

A sale of dyed special fuel made to someone other than a licensed distributor or supplier, for a use other than in motor vehicles, a specific notation on the invoice is required of use and may require obtaining supporting documentation as required by the Department.

(35 ILCS 505/5.5) – BOL

All carriers of motor fuel entering this State, and all carriers transporting motor Fuel within this State operating as common carriers shall carry a manifest and show the true name and address of the consignor and the consignee, the date and time of loading, the number of gallons and such other information required by the Department.

(35 ILCS 505/6) – Invoice

When a licensed distributor is making a tax-free sale to another licensed distributor there should be a notation on the invoice of such. When a licensed distributor is making a tax-free sale of special fuel to a licensed supplier there should be a notation on the invoice of such. When a licensed distributor makes a sale of dyed diesel fuel to someone other than a licensed distributor or supplier for non-highway purposes, a specific notation is required on the invoice and any supporting documentation that may be required by the Department.

(35 ILCS 505/7) – Invoice

When a licensed supplier is making a tax-free sale of special fuel to a licensed supplier or distributor there should be a notation on the invoice of such. When a licensed supplier makes a sale of dyed diesel fuel to someone other than a licensed distributor or supplier for non-highway purposes, a specific notation is required on the invoice and any supporting documentation that may be required by the Department.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

(35 ILCS 505/6)

A distributor may make tax free sales of motor fuel, with respect to which he is otherwise required to collect the tax, only as specified in the following items 1 through 7.



(35 ILCS 505/6a)

A supplier may make tax free sales of special fuel, with respect to same seven items.

1. When the sale is made to a person holding a valid unrevoked license as a distributor, by making a specific notation thereof on invoices or sales slip covering each sale.
2. When the sale is made with delivery to a purchaser outside of this State.
3. When the sale is made to the Federal Government or its instrumentalities.
4. When the sale is made to a municipal corporation owning and operating a local transportation system for public service in this State when an official certificate of exemption is obtained in lieu of the tax.
5. When the sales is made to a privately owned public utility owning and operating 2 axle vehicles designed and used for transporting more than 7 passengers, which vehicles are used as common carriers in general transportation of passengers, are not devoted to any specialized purpose and are operated entirely within the territorial limits of a single municipality or of any group of contiguous municipalities, or in a close radius thereof, and the operations of which are subject to the regulations of the Illinois Commerce Commission, when an official certificate of exemption is obtained in lieu of the tax.
6. When a sale of special fuel is made to a person holding a valid, unrevoked license as a supplier, by making a specific notation thereof on the invoice or sales slip covering each such sale.
7. When a sale of dyed diesel fuel is made to someone other than a licensed distributor or a licensed supplier for non-highway purposes and the fuel is (i) delivered from a vehicle designed for the specific purpose of such sales and delivered directly into a stationary bulk storage tank that displays the notice required by Section 4f of this Act, (ii) delivered from a vehicle designed for the specific purpose of such sales and delivered directly into the fuel supply tanks of non-highway vehicles that are not required to be registered for highway use, or (iii) dispensed from a dyed diesel fuel dispensing facility that has withdrawal facilities that are not readily accessible to and are not capable of dispensing dyed diesel fuel into the fuel supply tank of a motor vehicle.

A specific notation is required on the invoice or sales slip covering such sales, and any supporting documentation that may be required by the Department must be obtained by the distributor. The distributor shall obtain and keep the supporting documentation in such form as the Department may require by rule.

For purposes of this item 7, a dyed diesel fuel dispensing facility is considered to have withdrawal facilities that are “not readily accessible to and not capable of dispensing dyed diesel fuel into the fuel supply tank of a motor vehicle” only if the dyed diesel fuel is delivered from: (i) a dispenser hose that is short enough so that it will not reach the fuel supply tank of a motor vehicle or (ii) a dispense that is enclosed by a fence or other physical barrier so that a vehicle cannot pull alongside the dispenser to permit fueling.

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Three to three and a half years: “After each January 1 and July 1 for an amended filed not more

than 3 years prior to such January 1 or July 1.” Example: March 2017 period return was out of statute on June 30, 2020.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

For non-highway refund claims, any person other than a licensed distributors or suppliers must file a claim no later than 2 years after the date on which the tax was paid by the claimant. Distributors and Suppliers must file a claim no later than one year after the date on which the tax was paid by the claimant.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Distributors and Suppliers are given credit memos in lieu of refunds.

Refunds of tax paid on fuel used for non-highway purposes are claimed on a specific form: RMFT-11-A.

**Section 41- Does your state accept electronic BOLs?**

Yes, the State of Illinois does accept electronic bills of lading.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

The State of Illinois accepts delivery date.

**Section 43-Are tax return templates and instructions available on your state’s website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Forms and Instructions can be found at: [Motor Fuel Tax Forms \(illinois.gov\)](https://www.illinois.gov/motorfuel)

Format guide for the electronic schedules is located at: [Motor Fuel Reporting Electronic Filing Format \(illinois.gov\)](https://www.illinois.gov/motorfuel)

# STATE OF INDIANA

## **Section 1-Contact Information**

**Agency:** Department of Revenue     [www.in.gov/dor](http://www.in.gov/dor)

**Name:** Sherry Queen, Fuel Tax Supervisor **Street**

**Address:** 7811 Milhouse Road, Suite P **City, State**

**Zip Code:** Indianapolis, IN 46241 **Phone**

**Number:** 317-615-2534

**Fuel Tax Customer Service Phone Number:** 317-615-2630

**Fax Number:** 317-615-2691

**E-mail Address:** [fetax@dor.in.gov](mailto:fetax@dor.in.gov) or [squeen@dor.in.gov](mailto:squeen@dor.in.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Gasoline	6-6-1.1
Special Fuel	6-6-2.5
Aviation Fuel	6-6-13
Surcharge	6-6-4.1-4.5 (Repealed effective July 1, 2018)
Oil Inspection	16-44-2
Gasoline Use	6-2.5-3.5

## **Section 3-State Point of Taxation**

**Gasoline:** first received

**Special Fuel:** at the rack

**Aviation Fuel:** first received

**Jet Fuel:** first received

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver:**

Gasoline is taxed in Indiana at the first receiver level. The first receiver of gasoline must add the per gallon Indiana taxes to the selling price of the gasoline, even if the fuel is sold to another licensed distributor, so the ultimate consumer bears the burden of the tax.

Indiana Code 6-6-1.1-202 -- For fuel withdrawn from an instate refinery or terminal, the licensed distributor that owns the fuel when it is withdrawn is the first receiver. If the fuel is withdrawn for the account of a holder of a gasoline distributor license, then the licensed distributor for whose account the fuel was withdrawn is the first receiver.

Indiana Code 6-6-1.1-203-205 -- When gasoline is imported into Indiana and sold to a holder of a gasoline distributor license, then the licensed distributor that owns the fuel when it is unloaded in this state is the first receiver. If the imported gasoline is delivered to someone other than a licensed gasoline distributor, the first receiver is the licensed distributor who brought the fuel into the state.

**Point of Taxation:**

The gasoline tax in Indiana is imposed on the “first receiver.” Indiana Code 6-6-1.1-201 imposes the tax on the billed gallonage of all gasoline received in the state less any deductions. Indiana Code 6-6-1.1-201 through 207 defines when gasoline is considered to be “received”.

Special fuel in Indiana is taxed “at the rack”. Special fuel – Indiana Code 6-6-2.5-28 – the tax is imposed on nonexempt special fuel received by a licensed supplier for sale or resale in Indiana or from a terminal outside Indiana for sale or export to Indiana (when subject to a tax precollection agreement) when it is removed from the terminal by the licensed supplier. The imposed tax is measured by the invoiced gallons received.

If the nonexempt special fuel is imported into Indiana, other than to a terminal, the tax is imposed at the time the product enters Indiana. The imposed tax is measured by the invoiced gallons received at a terminal or bulk plant.

**Section 5-State Tax Rates**

**These are the new tax rates effective on July 1, 2024**

<b>Gasoline:</b>	\$0.35 + \$0.01 oil inspection fee
<b>Special Fuel:</b>	\$0.59 + \$0.01 oil inspection fee
<b>Aviation Fuel:</b>	\$0.35 + \$0.01 oil inspection fee + \$0.20 aviation fuel excise tax
<b>Jet Fuel:</b>	\$0.01 oil inspection fee + \$0.20 aviation fuel excise tax

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Indiana taxes gasoline based on billed (invoiced) gallons.

Indiana Code 6-6-1.1-502 -- at the time of filing each monthly report, each distributor shall pay to the administrator the full amount of tax due under this chapter for the preceding calendar month, computed as follows:

- (1) Enter the total number of invoiced gallons of gasoline received during the preceding calendar month.
- (2) Subtract the number of gallons for which deductions are provided by sections 701 through 705 of this chapter from the number of gallons entered under subdivision (1).
- (3) Subtract the number of gallons reported under section 501(3) of this chapter.
- (4) Multiply the number of invoiced gallons remaining after making the computation in subdivisions (2) and (3).
- (5) Multiply the number of gallons subtracted under subdivision (3) by the tax rate prescribed by section 201 of this chapter to compute that part of the gasoline tax to be deposited in the fish and wildlife fund under section 802(1) of this chapter.

Indiana taxes special fuel based on billed (invoiced) gallons.

Indiana Code 6-6-2.5-28 – (a) A license tax is imposed on all special fuel sold or used in producing or generating power for propelling motor vehicles, except fuel used under section 30(a)(8) or 30.5 of this chapter, at the applicable rate specified in subsection (b). The tax shall be paid at those times, in the manner, and by those persons specified in this section and section 35 of this chapter.

...

(d) Except as provided in subsection (e), the tax imposed on special fuel by subsection (a) shall be measured by invoiced gallons (or diesel or gasoline gallon equivalents in the case of a special fuel described in section 22.5(2) or 22.5(3) of this chapter) of nonexempt special fuel received by a licensed supplier in Indiana for sale or resale in Indiana or with respect to special fuel subject to a tax precollection agreement under section 35(j) of this chapter, such special fuel removed by a licensed supplier from a terminal outside of Indiana for sale for export or for export to Indiana and in any case shall generally be determined in the same manner as the tax imposed by Section 4081 of the Internal Revenue Code and Code of Federal Regulations.

(e) The tax imposed by subsection (a) on special fuel imported into Indiana, other than into a terminal, is imposed at the time the product is entered into Indiana and shall be measured by invoiced gallons received at a terminal or at a bulk plant.

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Indiana imposes a one cent per gallon oil inspection fee on all gasoline and kerosene products as well as on all taxable special fuels. The statute governing the oil inspection fee is found in Indiana Code 16-44-2.

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

Effective July 1, 2024, the gasoline tax rate increased from \$0.34 per gallon to \$0.35 per gallon.  
The special fuel tax rate increased from \$0.57 per gallon to \$0.59 per gallon.

## **Section 8-State Collection Allowance**

Gasoline: billed gallons multiplied by .016  
Special Fuel: tax due multiplied by .016

## **Section 9-State Diversion Requirements**

**Diversion Required**

Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

Special Fuel 6-6-2.5-40(f)

Gasoline 6-6-1.1-606.5(h)

**What diversion registry program do you use?** Fuel Trac

**What products are subject to the diversion requirement?**

Gasoline and Special Fuel

**Diversion Requirements**

The shipper or its agent shall provide notification to the Department of Revenue of a diversion. The shipper, importer, transporter, shippers' agent and any purchaser, not the supplier or terminal operator, shall be jointly liable for any tax otherwise due as the result of the diversion.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Customer responsible.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Yes, only if the customer does not have a license in Indiana and needs to pay the tax.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** N/A

**Any Additional Comments?**

- When must the diversion be reported to your state?
  - A diversion number is required to be obtained from FuelTrac by the shipper or the

shipper's agent within twenty-four hours of the diversion. The diversion should be reported on the shipper or the shipper's agent's monthly return.

- When must the tax be paid to your state?
  - The tax must be paid by the due date of the monthly return, which is the 20<sup>th</sup> of the month. Special fuel Suppliers and Permissive Suppliers are required to have their payment remitted to the Indiana Department of Revenue by the 15<sup>th</sup> of the month.
- Is there a penalty for late payment of the tax and if so, how much is that penalty?
  - The penalty for a late payment or a late filed return is 10% of the tax due or \$5.00, whichever is greater, plus interest. The collection allowance and/or the distributor deduction is disallowed for late filed returns or payments.
- Please also provide any additional information that is pertinent to the reporting of the diversion.
  - A supplier/distributor is not allowed to credit or rebill a customer for a load diverted out of Indiana. The customer must apply for a refund of the Indiana taxes paid.
- Are diversions from NON-licensees treated any different?
  - If the customer does not have a license in Indiana and needs to pay the Indiana taxes on a load diverted into Indiana, the supplier/distributor will need to rebill the customer for the Indiana tax.

## **Section 10-Alternative Fuels Incentives and Laws**

Indiana is the proud home of the Greater Indiana Clean Cities Coalition ([www.greaterindiana.com](http://www.greaterindiana.com)) and the South Shore Clean Cities Coalition ([www.southshorecleancities.org](http://www.southshorecleancities.org)).

### **State Incentives**

#### **Vehicle Research and Development Grants**

~~The Indiana Twenty First Century Research and Technology Fund is administered by the Indiana Economic Development Corporation and provides grants and loans to support proposals for economic development in areas including alternative fuel technologies and fuel efficient vehicle production. (Reference Senate Bill 106, 2007, and Indiana Code 5-28-16-2)~~

The Indiana Economic Development Corporation has established a Green Industry fund to provide grants and loans to a business located in Indiana that support proposals for economic development that reduce energy consumption or lower emissions, including biofuels, alternative fuel vehicles and power system, and clean diesel technology. (Reference Indiana Code 5-28-34)

#### **Biodiesel Price Preference**

A governmental body, state educational institution, or instrumentality of the state that performs essential governmental functions on a statewide or local basis is entitled to a price preference of 10% for the purchase of fuels which are at least 20% biodiesel by volume is soy diesel/biodiesel. Soy diesel/ bio diesel includes fuels (other than alcohol) that are primarily esters derived from biological materials, including oilseeds and animal fats, for use in compression and ignition

engines. (Reference Indiana Code 5-22-15-19)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

These are new taxes rates as of July 1, 2024.

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.59/gallon and \$0.01 oil inspection fee	B100 is taxable	Subject to Oil Inspection Fee	\$0.35/gallon when blended and \$0.01 oil inspection fee	Not taxable until blended	Not taxable until blended

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

These are new taxes rates as of July 1, 2024.

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is included in the statutory definition of special fuel and is taxed as a special fuel. The rate is \$0.59/gallon plus \$0.01 oil inspection fee. The tax is due when the B100 is imported. Dyed Biodiesel D00 – D99 is not taxed.	Pure ethanol is not subject to tax until blended with a taxable product.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

These are new taxes rates as of July 1, 2024.

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.59/gallon and \$0.01 oil inspection fee	1.25 therms of CNG = 1 CNG GGE gallons. The calculation is Number of therms of CNG divided by 1.25 = Number of CNG GGE gallons.
<b>E85</b>	\$0.35/gallon and \$0.01 oil inspection fee	<b>Not Applicable</b>



<b>Electric Vehicles/Electricity</b>	Not Applicable	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	Not Applicable	<b>Not Applicable</b>
<b>Hydrogen</b>	Not Applicable	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.59/gallon and \$0.01 oil inspection fee	1.67 gallons of LNG = 1 LNG DGE gallon. The calculation is Number of gallons of LNG divided by 1.67 = Number of LNG DGE gallons.
<b>LPG (Liquefied Petroleum Gas)</b>	Decal Fee \$150.00 - \$750.00	<b>Not Applicable</b>
<b>Methanol or "M85"</b>	\$0.35/gallon and \$0.01 oil inspection fee	<b>Not Applicable</b>
<b>Other</b>	Not Applicable	<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

**Section 16-How does your state handle contaminated fuel?**

Contamination of fuel must be reported within one business day after the date the contamination occurred. The person that contaminated the fuel and that has paid the taxes on the contaminated fuel may apply for a refund. Documentation of the taxes paid as well as documentation that the contaminated fuel was properly disposed of must be provided with the refund claim.

**Section 17-Does your state allow bad debt credits?**

Yes, for Special Fuel only.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
MF-360 Gasoline Distributors Consolidated Monthly Tax Return	The 20 <sup>th</sup> of the following month	The 20 <sup>th</sup> of the following month

SF-900 Consolidated Special Fuel Monthly Tax Return	The 20 <sup>th</sup> of the following month	The 20 <sup>th</sup> of the following month except for Suppliers and Permissive Suppliers. Suppliers and Permissive Suppliers are required to make an estimated payment on the 15 <sup>th</sup> of the following month. The payment amount should be 100% of the amount paid the previous month, or 95% of the amount due for the current month with the remainder due on the 20 <sup>th</sup> .
AVF-150 Aviation Fuel Excise Tax Return	The 15 <sup>th</sup> of the following month	The 15 <sup>th</sup> of the following month
GT-103 Gasoline Use Tax	Semi-Monthly filing due on the 10 <sup>th</sup> and 25 <sup>th</sup> of each month	Payment for transactions from the 1 <sup>st</sup> of the month through the 15 <sup>th</sup> are due on the 25 <sup>th</sup> of the month. Payment for transactions for the 16 <sup>th</sup> through the end of the month are due on the 10 <sup>th</sup> of the following month.
GT-103DR Recap of Gasoline Use Tax by Distributors	Last day of the following month	No payment due. This is an information only report

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked date

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

11:59 pm on the due date

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The reports and payments are due on the next business day

## **Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
MF-360 Gasoline Distributors Consolidated Monthly Tax Return	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater
SF-900 Consolidated Special Fuel Monthly Tax Return	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater. Licensed suppliers and permissive suppliers only – additional 10% non-compliance penalty if the payment that is due on the 15 <sup>th</sup> is late or does not equal 100% of the amount remitted the prior month or 95% of the amount owed for the current month. The 10% penalty is on the difference of the amount of the required payment and the amount paid.
AVF-150 Aviation Fuel Excise Tax Return	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater
GT—103 Gasoline Use Tax	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater	Loss of the collection allowance. 10% of the tax due or \$5, whichever is greater

## **Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E-85 is treated the same as gasoline in Indiana.

Per Indiana Code 6-6-1.1-103(s) "E85" means a fuel blend nominally consisting of eighty-five percent (85%) ethanol and fifteen percent (15%) gasoline (as described in subsection (g)(2)) that meets American Society for Testing and Materials standard specification 5798-99 for fuel ethanol for automotive spark-ignition engines (Ed75Ed85)

## **Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, licensed transporters are required to file a monthly return.

Gasoline: Per Indiana Code 6-6-1.1-606 every person that is not a licensed gasoline distributor that transports gasoline into or out of Indiana must file a monthly return. Indiana Code 6-6-1.1-606.5 requires that each person that transports gasoline into or out of Indiana, that is not a licensed gasoline distributor, obtain a transporter license. A distributor or transporter license is required to operate a vehicle to deliver gasoline within the boundaries of Indiana when the vehicle has a total tank capacity of at least eight hundred fifty (850) gallons.

Special Fuel: Per Indiana Code 6-6-2.5-60 each person operating as a transporter shall file monthly reports concerning the amount of special fuel transported in Indiana. Indiana Code 6-6-2.5-41(e) requires a person that is not licensed as a supplier that transports special fuel into or out of Indiana to obtain a transporter license.

## **Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

The company that owns the inventory in the terminal (the position holder) is the company that withdraws or removes the fuel from the terminal over the rack. The position holder must be a licensed gasoline distributor for gasoline and a licensed supplier for special fuel.

Flash title concept – Position holder (P) withdraws the fuel and sells the fuel to customer A who immediately sells the fuel to company B.

Gasoline: The licensed gasoline distributor (position holder) withdraws the fuel for the account of licensed gasoline distributor A and sells the fuel tax free. The title immediately passes from distributor A to licensed gasoline distributor B. Distributor A must charge distributor B the Indiana taxes since distributor A is the first receiver of the fuel in Indiana even if the fuel has an out of state destination. Distributor B must file for a refund of the Indiana taxes paid when the fuel is taken out of Indiana.

Special fuel: The licensed supplier (position holder) is responsible for collecting and remitting the tax. If the fuel is sold to the holder of an exporter license A for export from Indiana, then the fuel will be sold exempt of the Indiana tax. If the licensed exporter A immediately transfers the title to another licensed exporter B, then exporter A must charge exporter B Indiana tax. Only a licensed supplier can sell special fuel to a licensed exporter without charging the Indiana tax. Exporter B must file a claim for refund of the Indiana taxes paid on the fuel that was exported from Indiana.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

A deferral of the excise taxes only applies to special fuel sold by a licensed supplier to a licensed eligible purchaser. At the election of an eligible purchaser, the supplier shall not require a payment of special fuel tax from the purchaser at a time that is earlier than the date on which the tax is required to be remitted by the supplier to the department. The eligible purchaser's remittances of all amounts of tax due the supplier shall be paid by electronic funds transfer on or before the due date of the remittance by the supplier to the department, and the eligible purchaser's election under this subsection may be terminated by the supplier if the eligible purchaser does not make timely payments to the supplier as required by this subsection. The information regarding the deferral of the special fuel excise taxes can be found in Indiana Code 6-6-2.5-35.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

The deferral of the special fuel excise taxes would include a deferral of the oil inspection fee. Per Indiana Code 16-44-2-18.5, the oil inspection fee shall be collected and remitted at the same time, by the same person, and in accordance with the same requirements for collection and remittance of the special fuels tax under IC 6-6-2.5-35.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Gasoline is not subject to the Indiana 7% sales tax. Gasoline is subject to the Indiana gasoline use tax. The gasoline use tax is a per gallon tax that changes each month. The rate is based on the previous month's statewide average retail price per gallon of gasoline multiplied by 7%. The current and past month's rates are published each month in Indiana Departmental Notice # 2 on the state's website: [www.in.gov/dor](http://www.in.gov/dor)

Qualified distributors (licensed gasoline distributors that also hold a gasoline use tax permit) will collect the gasoline use tax when gasoline is sold to a retail merchant. The gasoline use tax collected is calculated by multiplying the gasoline use tax rate by the number of invoiced gallons. The gasoline use tax is added to the price per gallon. Beginning on January 1, 2023, the gasoline use tax cannot be charged to purchasers that present a valid gasoline use tax exemption certificate, Form GT-105, to the seller. Prior to January 1, 2023, the sales tax exemption certificate, Form ST-105 was accepted.

Effective July 1, 2017, special fuels, including clear diesel and dyed diesel, are exempt from the

7% Indiana sales tax. Prior to July 1, 2017, the Indiana 7% sales tax was collected by a retailer when it was sold to an end user unless the end user had provided the seller with a valid sales tax exemption certificate, Form ST-105.

Effective March 21, 2018, special fuel that is defined in Indiana Code 6-6-2.5-12 as heating oil, is the only special fuel that is subject to the Indiana 7% sales tax. The sales tax is collected and remitted by the retailer when the fuel is sold to an end user unless the end user provides the seller with a valid sales tax exemption certificate, Form ST-105

### **Section 29-What are your bonding requirements for your motor fuel license(s)?**

Per Indiana Code 6-6-1.1-406 licensed gasoline distributors are required to obtain a surety bond, a letter of credit, or a cash deposit of at least two thousand dollars (\$2,000) or three (3) month tax liability.

Per Indiana Code 6-6-2.5-44 a surety bond or cash deposit is required for each special fuel license of at least two thousand dollars (\$2,000) or two (2) month tax liability. Indiana exempts special fuel blenders and dyed fuel users from the bond requirement.

Per Indiana Code 6-2.5-3.5-18 holders of a gasoline use tax permit (qualified distributors) are required to obtain a surety bond or a cash bond of at least two thousand dollars (\$2,000) or three (3) month tax liability.

### **Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

#### **Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)
- 11. Qualifies to Use Dyed Fuel to Operate Motor Vehicles on the Highways
- 12. Must Also Have a Gasoline Distributor License

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier	X	1,2,3,4,5,6,8,9,10
Permissive Supplier	X	1,2,3,5,10

Importer	X	1
Exporter	X	2
Special Fuel Blender	X	8
Dyed Fuel User	X	11
Gasoline Distributor	X	1,2,3,4,5,6,8,9,10
Oil Inspection Distributor	X	1,2,3,4,5,6,8,9,10
Aviation Fuel Dealer		3,4
Marine Fuel Dealer		3,4
Gasoline Use Tax Permit	X	3,4,12
Aviation Fuel Excise Tax	X	3,4
Terminal Operator		7
Transporter		6

### **Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Indiana requires the Indiana tax be collected by the first receiver of gasoline in Indiana unless the gasoline is withdrawn from a federal terminal or refinery in Indiana by a licensed gasoline distributor and sold to another licensed gasoline distributor for export. Indiana does not require the destination state tax to be collected on exported gasoline.

Special fuel is taxed at the terminal rack in Indiana. Licensed suppliers are required to collect the Indiana state tax unless the special fuel is sold to a licensed exporter for export. If special fuel is sold to an unlicensed exporter for export, Indiana requires either the destination state tax or the Indiana state tax be collected, depending upon how the supplier is licensed in the destination state.

### **Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Pre-collection agreements are only required for special fuel. Licensed suppliers and permissive suppliers must elect how they will treat special fuel removed from a refinery or terminal located outside of Indiana and sold to a licensed importer for import into Indiana.

The supplier or permissive supplier may, 1) elect to treat all out of state terminal or refinery removals with an Indiana destination as if the removal was received in Indiana and pre-collect and remit all Indiana taxes; 2) elect to pre-collect and remit all Indiana taxes for only the licensed importers with whom they have entered into a pre-collection agreement. A list of these licensed importers must be provided to the department; or 3) elect to not pre-collect and remit any Indiana taxes on special fuel sold to licensed importers for import into Indiana.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Licensees should file amended returns electronically using Indiana's e-services portal, INTIME (Indiana Taxpayer Information Management Engine). Amendments made through INTIME consists of editing the originally filed return and making changes to the information. EDI filers may upload a corrected EDI file to replace the original file via INTIME. A corrected EDI file requires the entire return to be resubmitted.

**Section 34-Does your state allow credit and rebills on the current month report?**

We do not allow credit and rebilling for taxes paid. Customers that paid the tax in error may apply for a refund from the department.

Credit and rebilling should only be done to collect and remit taxes that were not paid if the customer is not licensed in Indiana.

**Section 35-How many days are allowed to report late loads?**

Late loads should be reported on an amended return. Loads should be reported in the month in which they occur.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

**Special Fuel**

IC 6-6-2.5-40(a) -- Each person operating a refinery, terminal, or bulk plant in Indiana shall prepare and provide to the driver of every vehicle receiving special fuel at the facility a shipping document setting out on its face the destination state as represented to the terminal operator by the shipper or the shipper's agent, except that an operator of a bulk plant in Indiana delivering special fuel into a vehicle with a capacity of not more than five thousand four hundred (5,400) gallons for subsequent delivery to an end consumer in Indiana is exempt from this requirement.

IC 6-6-2.5-41(g) -- An importer that does not enter into a precollection agreement shall display a proper import verification number on the shipping document if importing in a vehicle with a capacity greater than five thousand four hundred (5,400) gallons

IC 6-6-2.5-62(e) -- No person shall operate a motor vehicle with a capacity of more than five thousand four hundred (5,400) gallons that is engaged in the shipment of special fuel on the public highways of Indiana and that is destined for a delivery point in Indiana, as shown on the terminal-issued shipping papers, without having on board a terminal-issued shipping



paper indicating with respect to any special fuel purchased:

- (1) under claim of exempt use, a notation describing the load or the appropriate portion of the load as Indiana tax exempt special fuel;
- (2) if not purchased under a claim of exempt use, a notation describing the load or the appropriate portion thereof as Indiana taxed or pretaxed special fuel; or
- (3) if imported by or on behalf of a licensed importer instead of the pretaxed notation, a valid verification number provided before entry into Indiana by the department or the department's designee or appointee, and the valid verification number may be handwritten on the shipping paper by the transporter or importer.

#### 45 IAC 10-9-6 Display of tax rate

Authority: IC 6-8.1-3-3      Affected: IC 6-6-2.5-35

Sec.6. Special fuel suppliers, permissive suppliers, and all persons selling special fuel shall state the rate of tax separately from the price of the special fuel on all sales or delivery slips, bills, invoices, and statements that indicate the price of special fuel except when the special fuel is sold through a metered pump.

#### **Gasoline**

IC 6-6-1.1-606.5(g) – The operator of a vehicle to which this section applies shall at all times when engaged in the transporting of gasoline on the highways have with the vehicle an invoice or manifest showing the origin, quantity, nature, and destination of the gasoline that is being transported.

IC 6-6-1.1-1203 -- Distributors and all persons selling gasoline shall state the tax rate separately for the price of the gasoline on all sales or delivery slips, bills, and statements that indicate the price of gasoline.

### **Section 37-What entities are exempt / excluded in your state?**

#### **Please cite the statutory reference.**

IC 6-6-1.1-301 – (1) Gasoline exported from Indiana to another state, territory, or foreign country.

(2) Gasoline sold to the United States or an agency or instrumentality thereof.

(3) Gasoline sold to a post exchange or other concessionaire on a federal reservation within Indiana; however, the post exchange or concessionaire shall collect, report, and pay to the administrator any tax permitted by federal law on gasoline sold.

(4) Gasoline used by a licensed gasoline distributor for any purpose other than the generation of power for the propulsion of motor vehicles upon the public highways.

(5) Gasoline received by a licensed distributor and thereafter lost or destroyed, except by evaporation, shrinkage, or unknown cause, while the distributor is still the owner.

IC 6-6-101-302 – (1) A person who operates an airport where he sells gasoline for the exclusive purpose of propelling aircraft engines or motors.

(2) A person engaged at an airport in the business of selling gasoline for the exclusive use in aircraft engines or motors.

(3) A person who operates a marine facility, except a taxable marine facility, and who sell gasoline at that facility for the exclusive purpose of propelling motorboat engines.

- IC 6-6-2.5-30 (a)(1) Special fuel sold by a supplier to a licensed exporter for export from Indiana to another state or country.
- (2) Special fuel sold to the United States or an agency or instrumentality thereof.
- (3) Special fuel sold to a post exchange or other concessionaire on a federal reservation within Indiana. However, the post exchange or concessionaire shall collect, report, and pay quarterly to the department any tax permitted by federal law on special fuel sold.
- (4) Special fuel sold to a public transportation corporation established under IC 36-9-4 and used for the transportation of persons for compensation within the territory of the corporation.
- (5) Special fuel sold to a public transit department of a municipality and used for the transportation of persons for compensation within a service area, no part of which is more than five (5) miles outside the corporate limits of the municipality.
- (6) Special fuel sold to a common carrier of passengers, including a business operating a taxicab (as defined in IC 6-6-1.1-103(l)) and used by the carrier to transport passengers within a service area that is not larger than one (1) county, and counties contiguous to that county.
- (7) The portion of special fuel determined by the commissioner to have been used to operate equipment attached to a motor vehicle, if the special fuel was placed into the fuel supply tank of a motor vehicle that has a common fuel reservoir for travel on a highway and for the operation of equipment.
- (8) Special fuel used for nonhighway purposes, used as heating oil, or in trains.
- (9) Special fuel sold by a supplier to an unlicensed person for export from Indiana to another state and the special fuel has been dyed additized in accordance with section 31 of this chapter.
- (10) Sales of transmix between licensed suppliers.
- (11) Special fuel sold or removed via truck or rail from a terminal or refinery, if the destination is an Indiana terminal or refinery.
- (12) Special fuel received at an Indiana terminal or refinery, if the tax on the special fuel has previously been paid. If this subdivision applies, the receiving supplier is entitled to a credit on the receiving supplier's Indiana Special Fuel Supplier's Tax Return for the tax paid to the receiving supplier's vendor or directly to the state.
- (13) The difference between the amount of special fuel purchased by a compressed natural gas product fuel station and the amount of compressed natural gas product produced and sold by the compressed natural gas product fuel station.

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

An amended return may be filed up to 3 years from the due date of the original return.

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

Gasoline -- April 15 of the year succeeding three (3) years after the date the gasoline was purchased, and it must be accompanied by the original invoice or a certified copy of the original invoice.

Special fuel -- The claim must be filed not more than three (3) years after the date the special fuel was purchased. The statement must show that payment for the purchase has been made

and the amount of tax paid on the purchase has been remitted.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both.

**Section 41- Does your state accept electronic BOLs?**

We will accept electronic bills of lading.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Indiana accepts the BOL date for loads shipped by railcar.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Copies of all fuel tax returns and related schedules, including instructions, are available on the Indiana Department of Revenue's website: <https://www.in.gov/dor/tax-forms/other-forms/fuel-tax-forms/>.

# STATE OF IOWA

## **Section 1-Contact Information**

**Agency:** Iowa Department of Revenue  
**Name:** Scott Fisher  
**Street Address:** 1305 E. Walnut Street  
**City, State, Zip Code:** Des Moines, IA 50319  
**Phone Number:** 515-601-4417  
**Fax Number:** 515-281-3756  
**E-mail Address:** scott.fisher1@iowa.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Iowa legislative website: <https://www.legis.iowa.gov/>  
Iowa state government website: <http://www.iowa.gov/>

Please note, the Department has reorganized its administrative rules so cites or cross-references in prior years may have been moved. Please see (<https://revenue.iowa.gov/resources/law-policy-information/idr-administrative-rules-reorganization-update>) for changes.

## **Section 3-State Point of Taxation**

**Gasoline:** Rack. Iowa Code 452A.3(8)  
**Diesel:** Rack. Iowa Code 452A.3(8)  
**Aviation Fuel:** Rack. Iowa Code 452A.3(8)  
**Jet Fuel:** Rack. Iowa Code 452A.3(8)

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver:-** The entity first receiving the fuel after it has crossed the rack.  
**Point of Taxation:** Rack. Iowa Code 452A.3(8)

## **Section 5-State Tax Rates**

<b>Fuel Type</b>	<b>7/1/20 to 6/30/21</b>	<b>7/1/21 to 6/30/22</b>	<b>7/1/22 to 6/30/23</b>	<b>7/1/23 to 6/30/23</b>	<b>Beginning 7/1/2024</b>
<b>Gasoline</b>	\$0.300	\$0.300	\$0.300	\$0.300	\$0.300
<b>Alcohol</b>	\$0.240	\$0.240	\$0.240	\$0.245	\$0.255
<b>Ethanol Blended Gasoline E-10 to E-14 (Gasohol)</b>	\$0.300	\$0.300	\$0.300	\$0.300	\$0.300
<b>Ethanol Blended Gasoline E-15 or higher</b>	\$0.240	\$0.240	\$0.240	\$0.245	\$0.255
<b>Diesel (including biodiesel B- 10 and lower, biodiesel B19 and lower effective 7/1/24) (Special Fuel Undyed)</b>	\$0.325	\$0.325	\$0.325	\$0.325	\$0.325
<b>Biodiesel B-11 or Higher Undyed (discontinued effective 7/1/24)</b>	\$0.301	\$0.304	\$0.301	\$0.298	.*
<b>Biodiesel B-20 or Higher Undyed</b>	-	-	-	-	\$0.295*
<b>Aviation Gasoline</b>	\$0.080	\$0.080	\$0.080	\$0.080	\$0.080
<b>Aviation Jet</b>	\$0.050	\$0.050	\$0.050	\$0.050	\$0.050
<b>Liquefied Petroleum Gas (LPG)</b>	\$0.300	\$0.300	\$0.300	\$0.300	\$0.300
<b>Liquefied Natural Gas (LNG)</b>	\$0.325	\$0.325	\$0.325	\$0.325	\$0.325
<b>Compressed Natural Gas (CNG)</b>	\$0.310	\$0.310	\$0.310	\$0.310	\$0.310
<b>Hydrogen</b>	\$0.650	\$0.650	\$0.650	\$0.650	\$0.650
<b>Electric Fuel</b>	-	-	-	\$0.026 per kWh	\$0.026 per kWh

\* Effective July 1, 2024, the biodiesel B-20 or Higher Undyed is a new fuel group and will replace the biodiesel B-11 or Higher Undyed fuel group to have a lower fuel tax rate. Additionally, biodiesel B-11 to B-19 will fall into the same taxation category as undyed special fuel (diesel).

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Gross gallons. See Iowa Code 452A.86.

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

There are no other fees on reportable products. The \$0.01 per gallon Iowa Environmental Protection Charge (EPC) was repealed as of 12/31/2016.

**Section 7-Rate Updates**

**Please list any rate updates for your state:**

Rates are updated July 1<sup>st</sup>. [Iowa Tax / Fee Descriptions and Rates](#). (Scroll left or right to see the relevant period's fuel tax rates).

**Section 8-State Collection Allowance**

452A.5 Distribution allowance.

A supplier shall retain a distribution allowance of not more than one and six-tenths percent of all gallons of motor fuel and a distribution allowance of not more than seven-tenths percent of all gallons of undyed special fuel removed from the terminal during the reporting period for purposes of tax computation.

The distribution allowance shall be prorated between the supplier and the distributor or dealer as follows:

1. Motor fuel: four-tenths percent retained by the supplier, one and two-tenths percent to the distributor.
2. Undyed special fuel: thirty-five hundredths percent retained by the supplier, thirty-five hundredths percent to the distributor or dealer purchasing directly from a supplier.

Gallons exported outside of the state shall not be included in the calculation of the distribution.

**Section 9-State Diversion Requirements**

**Diversion Required   No**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?** Fueltrac

**What products are subject to the diversion requirement?**

### **Diversions Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Iowa Administrative Code rule 701—260.8(13) addresses refunds for transport diversions. When a transport load of motor fuel or undyed special fuel is sold tax-paid with a destination in this state and later diverted to a destination outside the state, the person who actually paid the Iowa tax is entitled to a refund. To secure a refund, the person must file a completed claim form provided by the department with supporting documentation including a copy of the bill of lading, invoices or document showing where and to whom the fuel was delivered, a copy of the reporting form and evidence of payment to the state where the fuel was actually delivered.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?** No

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** Yes

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

Iowa Clean Cities, a designated Department of Energy coalition, is available for technical assistance. (<https://www.iowaeda.com/iowa-energy-office/clean-cities/>)

### **State Incentives**

#### **Electric Vehicle (EV) Charging Infrastructure Funding**

The Iowa Department of Transportation (IowaDOT) provides funding for publicly accessible Level 2 and direct current fast charging (DCFC) stations. This grant program is funded by Iowa's portion of the Volkswagen Environmental Mitigation Trust. For more information, including how to apply, see the [IowaDOT Volkswagen Clean Air Act Partial Settlements](#) website.

#### **Diesel Emission Reduction Project Funding**

The Iowa Department of Transportation (IowaDOT) provides funding for the replacement, retrofit, or conversion of medium- and heavy-duty (MHD) on-road diesel vehicles with new diesel or alternative fuel vehicles. Grants are also available for off-road diesel vehicle replacements and repowers. Grants are available for MHD school buses, transit buses, and trucks. Non-road vehicles and equipment may also be eligible for funding. Eligible applicants include government, nonprofit, and private entities that own or operate diesel fleets and equipment. Additional restrictions apply. This grant program is partially funded by Iowa's portion of the Volkswagen Environmental Mitigation Trust. For more information, including eligible vehicles, see the [IowaDOT Diesel Emission](#)

[Reduction Act](#) website.

### **Iowa's National Electric Vehicle Infrastructure (NEVI) Program Funding**

The Iowa Department of Transportation (IowaDOT) provides funding for publicly accessible direct current fast charging (DCFC) stations along Iowa's alternative fuel corridors (AFCs) including Interstates 29, 35, 80 and 380. This grant program is funded by Iowa's formula award of the nationwide National Electric Vehicle Infrastructure Program. For more information, including program implementation plans, implementation progress and how to apply, visit the [IowaDOT NEVI Program](#) website.

### **E85 Gasoline Promotion Tax Credit**

Iowa retailers selling E85 (70% ethanol to 85% ethanol) are eligible for the E85 Gasoline Promotion Tax Credit in the amount of \$0.16 per gallon for calendar years 2012-2027. The tax credit expires after December 31, 2027. Eligible taxpayers may also claim the Ethanol Promotion Tax Credit for the same ethanol gallons and tax year. (Reference [Iowa Code](#) 422.11O)

### **Biodiesel Blended Fuel Tax Credit**

Iowa retailers selling diesel fuel rated B11 but less than B19 are eligible for a credit of 5 cents per gallon. Iowa retailers selling diesel fuel rated B20 but less than B29 are eligible for a credit of 7 cents per gallon. Iowa retailers selling diesel fuel rated B30 or higher are eligible for a credit of 10 cents per gallon. B-11 and higher tax credit expires December 31, 2027. (Reference [Iowa Code](#) 422.11P)

### **E15 Plus Gasoline Promotion Tax Credit**

Iowa retailers selling gasoline fuel blends of 15% ethanol (E15) up to 69% ethanol (E69) are eligible for the E15 Plus Gasoline Promotion Tax Credit. For sales on or after January 1, 2023, the amount of the credit is determined by multiplying the total number of eligible gallons sold by 9 cents without regard to the month the gallon was sold. The tax credit expires after December 31, 2025. Eligible taxpayers may also claim the Ethanol Promotion Tax Credit for the same ethanol gallons and tax year. (Reference [Iowa Code](#) 422.11Y)

### **Biodiesel Production Sales/Use Tax Refund**

Qualified biodiesel producers are eligible for a tax credit of \$0.04 per gallon of biodiesel produced. Biodiesel producers may claim the tax credit for up to 250,000 gallons of biodiesel. The refund will expire after December 31, 2027. (Reference [Iowa Code](#) 423.4(9))

### **Biofuel Infrastructure Grants**

The Renewable Fuels Infrastructure Program provides financial assistance to qualified E85 or dual E15 and biodiesel retailers. Cost-share grants are available to upgrade or install new E85 or dual E15 and biodiesel infrastructure. Five-year cost-share grants are available for ethanol projects up to 90% of the total cost of the project, up to \$75,000. Biodiesel distributors may apply for cost-share grants for infrastructure upgrades and installations at biodiesel terminal facilities up to 50% cost share with a maximum award per site of \$100,000. Facilities blending or dispensing blends ranging from 2% biodiesel (B2) to 98% biodiesel (B98) are eligible for up to 50% of the total project, up to \$50,000. Facilities blending or dispensing



B99 or B100 are eligible for up to 50% of the total project, up to \$100,000. The Renewable Fuels Infrastructure Board receives administrative support from staff within the Iowa Department of Agriculture and Land Stewardship and the 11-member board has authority to determine the eligibility of applicants. For more information, refer to the [Renewable Fuels Infrastructure Program](#) website. (Reference [Iowa Code](#) 159A.13-159A.15)

### **Iowa Energy Center Grant Program**

**The grant program for energy research projects is administered by the Iowa Energy Center, housed at the Iowa Economic Development Authority. Iowa code allows projects that benefit Iowa ratepayers and support the implementation of the Iowa Energy Plan. Alternative fuel related research projects are included under eligible project types, among others. (Reference Iowa Administrative Code 261.404)**

### **Energy Infrastructure Revolving Loan Program (EIRLP)**

The loan program for energy infrastructure projects is administered by the Iowa Energy Center, housed at the Iowa Economic Development Authority. Iowa code allows for loans to be provided for projects that facilitate electricity or gas generation, transmission, storage or distribution.

Alternative fuel vehicle infrastructure is included in the purpose of the program, among other project types. (Reference [Iowa Code](#) 475.46A)

### **Idle Reduction and Natural Gas Vehicle (NGV) Weight Exemption**

Any motor vehicle equipped with an auxiliary power unit (APU) or other idle reduction technology may exceed the gross, single axle, tandem axle, or bridge formula weight limits by up to 550 pounds (lbs.) to compensate for the weight of the technology. To be eligible for the weight exemption, the vehicle operator must be able to provide written proof or certification of the weight of the APU or idle reduction technology and demonstrate or certify that the technology is fully functional at all times. Furthermore, NGVs may exceed the weight limits by an amount equal to the difference of the weight of the natural gas tank and fueling system and the weight of a comparable diesel tank and fueling system. The NGV must not exceed a maximum gross vehicle weight of 82,000 lbs. (Reference [Iowa Code](#) 321.463)

## **Laws and Regulations**

### **E85 Fuel Exclusivity Contract Regulations**

Any motor fuel franchisor must provide for the delivery of E85 as requested by the motor fuel dealer or allow the franchisee to purchase E85 from another source. (Reference [Iowa Code](#) 323A)

### **Public Utility Definition**

An entity providing electricity for the purpose of electric vehicle charging is not considered a public utility. Regulated public utilities cannot prohibit or restrict the sale of electricity at an electric vehicle charging station. (Reference Iowa Administrative Code Utilities Division [199] Chapter 20.20(476))

### **Electric Vehicle (EV) Charging Station Inspections**

The Iowa Department of Agriculture and Land Steward (Department) must inspect EV

charging stations owned by [licensed electric fuel dealers or users](#) on a biennial basis to ensure electricity is being accurately metered. The Department must use standards published in the [National Institute of Standards and Technology Handbook 44\(PDF\)](#) and must notify the Iowa Department of Revenue of noncompliant charging stations. (Reference [Iowa Code](#) section 452A.41)

### **E-15 Access Standard**

Beginning January 1, 2026, retail gasoline fueling stations must advertise and sell E15 from at least one gasoline dispenser. The Iowa Department of Agriculture and Land Stewardship may refuse to renew, suspend, or revoke retail fuel licenses for failure to comply with access requirements. Additional requirements and exemptions may apply. (Reference [Iowa Code](#) 214A.31 – 214A.37)

### **Renewable Fuel Labeling Requirement**

Biodiesel, biobutanol, and ethanol blend dispensers must be affixed with decals identifying the type of fuel blend. If fuel blends containing more than 10% ethanol are being dispensed, the decal must include the following statement: "For Flexible Fuel Vehicles Only." The Iowa Department of Agriculture and Land Stewardship (Department) may approve an application to place a decal in a special location on a pump with special lettering or colors that are clear and conspicuous to the consumer. The application must be made in writing to the Department. (Reference [Iowa Code](#) 214A.16)

### **Ethanol Blend Dispenser Requirement**

An ethanol retailer selling a blend of at least 9% ethanol by volume must use gasoline storage and dispensing infrastructure that the Iowa Department of Natural Resources and state fire marshal have determined is compatible with the ethanol blend being dispensed. Exceptions may apply. (Reference [Iowa Code](#) 455G.31)

### **Biofuel Specifications**

Ethanol-blended gasoline must conform to ASTM D4814, E85 must conform to ASTM D4806, and biodiesel-blended fuel containing at least 6%, but no more than 20%, biodiesel must conform to ASTM D7467. Additionally, biobutanol must be an agriculturally derived isobutyl alcohol that meets ASTM D7862 for butanol for blending with gasoline for use as a motor fuel. Gasoline blended with biobutanol must conform to ASTM D4814. The state defers to the U.S. Environmental Protection Agency for potential changes in specifications. (Reference [Iowa Code](#) 214A.2)

### **Biodiesel Fuel Use**

The Iowa Department of Transportation (IDOT) may purchase biodiesel for use in IDOT vehicles through the biodiesel fuel revolving fund created in the state treasury. The fund consists of money received from the sale of Energy Policy Act of 1992 credits IDOT has banked and other income IDOT has obtained or accepted for deposit in the fund. (Reference [Iowa Code](#) 307.20)

### **Alternative Fuel Tax**

Compressed natural gas used as a special motor fuel is subject to the state fuel excise tax of \$0.31 per gasoline gallon equivalent, measured at 5.66 pounds (lbs.) or 126.67 cubic feet at a

base temperature of 60 degrees Fahrenheit and a pressure of 14.73 lbs. per square inch. Liquefied natural gas is subject to the excise tax of \$0.325 per diesel gallon equivalent, measured at 6.06 lbs. Liquefied petroleum gas (propane) is subject to the excise tax of \$0.30 per gallon. E85 is subject to the excise tax of \$0.240 per gallon. B20 is subject to the excise tax of \$0.295 per gallon. B100 is subject to the excise tax of \$0.325 per gallon. Hydrogen is subject to the excise tax of \$0.65 per diesel gallon equivalent, measured at 2.49 lbs. Beginning July 1, electric fuel placed into a vehicle battery at locations other than a residence will be subject to an excise tax of \$0.026 per kWh. (Reference [Iowa Code](#) 452A.2, 452A.3, 452A.41, and 452A.86)

### **Alternative Fuel Vehicle Acquisition Requirements**

At least 10% of new light-duty vehicles purchased by institutions under the control of the state fleet director, including the Iowa Department of Transportation, Board of Directors of Community Colleges, Board of Regents, Commission for the Blind, and Department of Corrections must be capable of operating on alternative fuels. Vehicles and trucks purchased and directly used for law enforcement and off-road maintenance work are exempt from this requirement. (Reference [Iowa Code](#) 8A.362, 216B.3, 260C.19A, 262.25A, 307.21 and 904.312A)

### **Electricity Dealer License**

Beginning July 1, 2023, a person may not sell or dispense electricity as a vehicle fuel at a location other than a residence or otherwise act as a licensed electricity fuel dealer or user unless the person holds a valid license issued by the Iowa Department of Revenue (Department). To obtain a license, a person must file an application with the Department. (Reference [Iowa Code](#) 452A.42)

### **Alternative Fuel Vehicle (AFV) Conversion Registration**

When a motor vehicle is modified to use a different fuel type or more than one type of fuel, the vehicle's registered owner must notify the county treasurer of the new fuel type or alternative fuel types within 30 days. If the vehicle uses, or may use, a special fuel, the county treasurer will issue a special fuel identification sticker. (Reference [Iowa Code](#) 321.41)

### **Electric Vehicle Registration Fee**

All electric vehicle owners must pay an annual fee in addition to standard registration fees. Fully electric vehicle owners must pay an annual fee of \$130 and plug-in hybrid electric vehicle owners must pay an annual fee of \$65. (Reference [Iowa Code](#) 321.116)

### **Low-Speed Vehicle Access to Roadways**

Low-speed vehicles are only permitted to operate on roadways with posted speed limits of up to 35 miles per hour (mph) but may cross streets with posted speed limits greater than 35 mph. (Reference [Iowa Code](#) 321.381A)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
See Section 5 for multiple rates.	B100 is taxable		See Section 5 for multiple rates.	Ethanol is taxable	

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
See Section 5 for multiple rates.	See Section 5 for multiple rates.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	See Section 5 for multiple rates.	
<b>E85</b>	See Section 5 for multiple rates.	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Excise tax effective July 1, 2023. Supplemental annual license fee of \$130 for BEV or \$65 for PHEV also applicable.	<b>\$0.026/kWh</b>
<b>Gasoline Hybrid Vehicles</b>	Same as gasoline	<b>Not Applicable</b>
<b>Hydrogen</b>	Effective January 1, 2020	<b>\$0.65/DGE (1 DGE = 2.49lbs)</b>
<b>LNG (Liquefied Natural Gas)</b>	See Section 5 for multiple rates.	
<b>LPG (Liquefied Petroleum Gas)</b>	See Section 5 for multiple rates.	
<b>Methanol or “M85”</b>	Not Applicable	<b>Not Applicable</b>
<b>Other</b>	Not Applicable	<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
Gasohol blending components	See Section 5 for multiple rates.	Yes
BioDiesel blending components	See Section 5 for multiple rates.	Yes

**Section 16-How does your state handle contaminated fuel?**

Iowa allows a refund of the motor fuel tax paid on fuel that has been contaminated. A refund request for Casualty Loss/Special Fuel Blending Error must be completed in GovConnectIowa. Please attach any supporting documentation.

**Section 17-Does your state allow bad debt credits?**

Yes, the Supplier may be allowed a bad debt credit if the sale was made to an approved Iowa Eligible Purchaser.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Tax returns are required to be filed by the licensee no later than the last day of the month following the month in which the fuel was withdrawn from the terminal or, in the case of LPG, LNG, or CNG, placed into the fuel supply tank of a motor vehicle. Importers are required to file semimonthly.	Last day of the month for monthly filers. The 15 <sup>th</sup> and the last day of the month for semimonthly filers.	Same day as the return.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Returns must be electronically filed and must be filed by the due date, or the next business day if the due date is on a holiday or weekend.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

4pm on due date for ePayment to be timely. Midnight on due date for eFiled return to be timely.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

**10% Penalty for Failure to Timely File a Return:**

If the return is not filed by the due date and at least 90% of the correct tax is not paid, an additional 10% penalty of the unpaid tax is due.

**5% Penalty for Failure to Timely Pay the Tax Due:**

If the return is on time but at least 90% of the correct tax due has not been paid, an additional 5% penalty of the unpaid tax is due.

Name of Report	Report Penalties	Payment Penalties
Penalties are the same across tax types.	10% if return is not filed by the due date and 90% of the correct tax is not timely paid. If return is filed timely but 90% is not timely paid, the penalty is 5%.	

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

*“E-85 gasoline” or “E-85” is defined as ethanol blended gasoline formulated with a minimum percentage of between seventy and eighty-five percent by volume of ethanol. It is taxed at the E- 15 or Higher rate.*

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, transporter returns are required under Iowa Code section 452A.15(1) Iowa Administrative Code rule 701—260.17. They are to be filed by railroad carriers, common carriers, contract carriers, distributors transporting fuel for others, and anyone else transporting fuel from without the state and unloading it at other than terminal storage within the state. The report must include all fuel which was imported into Iowa and unloaded at other than terminal storage, all fuel withdrawn from Iowa terminal storage and delivered in Iowa,

and all fuel withdrawn from Iowa terminal storage and exported from Iowa.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Transactions occurring above the rack are tax-free. The entity last owning the fuel before it leaves the terminal rack is responsible to report and remit tax.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Yes. The eligible purchaser must pay the tax to the supplier by electronic funds transfer one business day prior to the date the tax is to be paid by the supplier.

Iowa Code section 452A.2(15)

15. “Eligible purchaser” means a distributor of motor fuel or special fuel or an end user of special fuel who has purchased a minimum of two hundred forty thousand gallons of special fuel each year in the preceding two years. Eligible purchasers who elect to make delayed payments to a licensed supplier shall use electronic funds transfer. Additional requirements for qualifying as an eligible purchaser shall be established by rule.

Iowa Administrative Code rule 701—259.1

“Eligible purchaser” means a distributor of motor fuel or special fuel who elects to make delayed payments to a licensed supplier and must use electronic funds transfer.

Iowa Administrative Code rule 701—260.7(4)

Eligible purchaser. Any distributor of motor fuel or special fuel or end user of special fuel who requests authorization to make delayed payments of the motor vehicle fuel tax must first register with the department to obtain the eligible purchaser status. The eligible purchaser must pay the tax to the supplier by electronic funds transfer one business day prior to the date the tax is to be paid by the supplier. Once approved, the eligible purchaser status is valid until voluntarily canceled by the eligible purchaser or canceled by the department of revenue.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Iowa does not have environmental fees or inspection fees.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change?**

**Is tax imposed on volume or value and when is it collected?**

Motor fuel and special fuel are exempt from sales tax when used on the highway or in watercraft or aircraft if the fuel tax has been paid and no refund of the fuel tax has been allowed. When a fuel tax refund is allowed, the sales tax is deducted from the refund unless it is used for a purpose that is exempt from sales tax. In some instances, the amount of sales tax which would be due may exceed the amount of fuel tax refund allowed. This can happen because the fuel tax rate is a flat amount per gallon and is not impacted by the price of the fuel. On the other hand, sales tax is based on the price paid for the fuel, so as the price goes up, the sales tax also goes up. If this situation occurs, taxpayers may elect to not claim the fuel tax refund, since if they did, they would owe the difference between the sales tax and the fuel tax refund. Dyed diesel would normally be subject to sales tax, unless the purchaser qualifies for a sales tax exemption. The sales tax rate has not changed in several years. The sales tax rate is based on value. Sales tax is collected monthly, annually, and seasonally based on filing status.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

When necessary and advisable to secure payment of tax, the Department may require a bond of any license holder. The Department generally requires a bond on a new applicant only if the applicant has established an unfavorable filing or remittance record on a previous license or if the Department feels the applicant's financial status is such that timely payment of taxes is questionable.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)
- 11. Has tax deferral status



Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1, 2, 3, 5, 10
Restrictive Supplier	X	1, 3
Importer	X	1, 3
Blender	X	8, 3
Compressed Natural Gas Consolidated	X	4
Compressed Natural Gas Dealer	X	3
Compressed Natural Gas User	X	4
Liquefied Natural Gas Consolidated	X	4
Liquefied Natural Gas Dealer	X	3
Liquefied Natural Gas User	X	4
Exporter		2
Eligible Purchaser		11
Eligible Purchaser End User		11
Storage Facility		5,7,10
Transportation		6

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, just Iowa tax.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically. The entire return is required when amending information.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes, credit and rebills are allowed on the current month report.

**Section 35-How many days are allowed to report late loads?**

Late loads are allowed on the current month report and may be subject to interest.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

701—260.18(452A) Bill of lading or manifest requirements. Whenever a bill of lading or manifest is required to be issued, carried, retained, or submitted by these rules, it shall meet the following minimum requirements:

1. Contain the name and address of the refinery, terminal, ethanol plant, biodiesel plant or point of origin.
2. Contain the date of withdrawal or import.
3. Contain the name of the shipper-supplier-consignor.
4. Contain the name of the purchaser-consignee.
5. Contain the place of actual destination.
6. Contain the name of the transporter.
7. Contain the gross gallons by fuel type.
8. Contain the designation for ethanol blended gasoline or biodiesel blended fuel as provided in Iowa Code section 214A.2.
9. Contain a statement designating whether diesel fuel is dyed or undyed.
10. Have machine printed thereon a serial number of not less than four digits.

Iowa Administrative Code rule 701—259.12(452A) Form of invoice. Whenever an invoice is required to be kept or prepared by Iowa Code chapter 452A, the invoice must:

1. Be prepared by someone other than the purchaser and include the seller's name, address, and identification number.
2. Include the purchaser's name and address.
3. Contain a serial number of three or more digits.
4. Include the calendar date of purchase.
5. Indicate the type of fuel purchased. Diesel fuel must be designated as dyed or undyed.
6. Indicate the quantity of fuel purchased in gross gallons.
7. Indicate the total purchase price and show separately the amount of state and federal fuel tax included in the purchase price or include a statement that all state and applicable federal taxes are included in the purchase price.
8. For ethanol blended gasoline or biodiesel blended fuel, state its designation as provided in Iowa Code section 214A.2.
9. Be prepared on paper which will prevent erasure or alteration or on another form approved by the department.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

No entities are exempt from Iowa fuel tax, however, refunds are available if the fuel is used for a nontaxable purpose as described in Iowa Code 452A.17.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Three years.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Three years.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

If the refund situation is caused by an overpayment of taxes from a licensee over-reporting, then it can be refunded via an amended return. For non-remitters of taxes, a fuel tax refund permit may be requested and, if a permit is issued, a specific claim for refund may be requested via the GovConnectIowa system. A credit may be claimed on an income tax return depending on the refund situation.

**Section 41- Does your state accept electronic BOLs?**

Not at this time.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

BOL date.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

No. Email [IDRMotorFuel@iowa.gov](mailto:IDRMotorFuel@iowa.gov) for more information.

# STATE OF KANSAS

## **Section 1-Contact Information**

**Agency:** Kansas Department of Revenue

**Name:** Roberto Tetuan

**Street Address:** 120 SE 10<sup>th</sup> Ave  
PO Box 3506  
Customer Relations – Motor Fuel

**City, State, Zip Code;** Topeka, KS 66601-3506

**Phone Number:** 785-296-5447

**Fax Number:** 785-296-2703

**E-mail Address:** roberto.tetuan@ks.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Kansas Statutes Annotated:  
K.S.A. 79-3401 et. seq.

Kansas Administrative Regulations:  
K.A.R. 92-3-4 et. seq. – Motor Vehicle Fuel  
K.A.R. 92-14-1 et. seq. – Liquid Petroleum  
K.A.R. 92-18-1 et. seq. – Special Fuel  
K.A.R. 92-26-1 et. seq. – Alcohol Producer Incentive  
K.A.R. 92-27-1 et. seq. – Biodiesel Producer Incentive  
K.A.R. 92-28-1 et. seq. – Retail Dealer Incentive (not currently funded)

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Reportable, but not taxable unless used in a taxable manner. Since motor fuel tax does not apply, sales tax does.

**Jet Fuel:** Reportable, but not taxable unless used in a taxable manner. Since motor fuel tax

does not apply, sales tax does.

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: N/A. Kansas statute does not define “First Receiver”

Point of Taxation: Distributor of first receipt

K.S.A. 79-3408. Tax imposed on use, sale or delivery of motor-vehicle fuels or special fuels; importation of motor-vehicle fuels or special fuels; incidence of tax imposed on distributor; allowance for certain losses; exempt transactions; reports required. (a) A tax per gallon or fraction thereof, at the rate computed as prescribed in K.S.A. 79-34,141, and amendments thereto, is hereby imposed on the use, sale or delivery of all motor-vehicle fuels or special fuels which are used, sold or delivered in this state for any purpose whatsoever.

(b) Unless otherwise specified in K.S.A. 79-3408c, and amendments thereto, the incidence of this tax is imposed on the distributor of the first receipt of the motor fuel and such taxes shall be paid but once. Such tax shall be computed on all motor-vehicle fuels or special fuels received by each distributor, manufacturer or importer in this state or imported by any distributor, manufacturer or importer into this state and paid in the manner provided for herein, except that an allowance of 2.5% shall be made and deducted by the distributor to cover all ordinary losses which may have resulted from physical loss while handling such motor-vehicle fuels or special fuels. No such allowance shall be made on any motor-vehicle fuel or special fuel exported from the state or sold to the United States of America or any of its agencies or instrumentalities as are now or hereinafter exempt by law from liability to state taxation. No such allowance shall be made for any motor-vehicle fuel or special fuel sold or disposed of to a consumer in tank car, transport or pipeline lots. As used in this subsection, the term "distributor of the first receipt" shall include distributors, manufacturers and importers that import motor- vehicle fuels or special fuels into Kansas.

**Section 5-State Tax Rates**

**Gasoline:** \$.24 per gallon

**Diesel:** \$.26 per

gallon **E-85:** \$.17

per gallon **Natural**

**Gas**

**LPG (Propane):** \$.23 per gallon

**LNG:** \$.26 per DGE

**CNG:** \$.24 per GGE

**Aviation Fuel:** \$.24 per gallon if used in a taxable manner.

**Jet Fuel:** \$.26 per gallon if used in a taxable manner.

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Net Gallons. Quantity sold corrected to 60 degrees Fahrenheit. See K.S.A 79-3416 and K.A.R. 92-3-9a Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?

**Petroleum Products Inspection Fee** is \$.015 per barrel, 50 gallons is considered to be a barrel.

K.S.A. 55-426. Fees, amount. (a) The director of taxation is entitled to demand and receive from the manufacturer, importer, exporter or distributor first selling, offering for sale, using or delivering gasoline or diesel including government sales, the sum of \$.015 per barrel. For the purposes of this section 50 gallons is to be considered and counted as a barrel.

(b) The secretary is hereby authorized and empowered to reduce the fees and charges provided by subsection (a) for any period deemed justified whenever the secretary shall determine that such fees and charges being paid into the state treasury as required by law are yielding more revenue than is required for the purposes to which such fees and charges are devoted by law. In the event that the secretary determines that sufficient revenues are not being produced by such reduced fees and charges, the secretary is hereby authorized and empowered to restore the fees and charges in full or in part to a rate not exceeding that provided in subsection

(a) that will in the secretary's judgment produce sufficient revenue for the purposes to which such fees and charges are devoted by law.

**Environmental Assurance Fee** is \$.01 per gallon.

K.S.A. 65-34,117. Environmental assurance fee; disposition of proceeds. (a) There is hereby established on and after July 1, 1992, an environmental assurance fee of \$.01 on each gallon of petroleum product, other than aviation fuel, manufactured in or imported into this state. The environmental assurance fee shall be paid by the manufacturer, importer or distributor first selling, offering for sale, using or delivering petroleum products within this state. The environmental assurance fee shall be paid to the department of revenue at the same time and in the same manner as the inspection fee established pursuant to K.S.A. 55-426, and amendments thereto, is paid. The secretary of revenue shall remit the environmental assurance fees paid hereunder to the state treasurer in accordance with the provisions of K.S.A. 75-4215, and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the aboveground fund, the underground fund, the UST redevelopment fund or the environmental stewardship fund, as provided by subsection (b). Exchanges of petroleum products on a gallon-for-gallon basis within a terminal and petroleum product which is subsequently exported from this state shall be exempt from this fee.

(b) Moneys collected from the environmental assurance fee imposed by this section shall be credited as follows:

(1) At any time when the unobligated principal balance of the underground fund is equal to \$2,000,000 or less, the moneys shall be credited to the underground fund until the unobligated

principal balance of the underground fund equals or exceeds \$5,000,000.

(2) At any time when the unobligated principal balance of the aboveground fund is equal to \$500,000 or less and the moneys are not required to be credited to the underground fund under subsection (b)(1), such moneys shall be credited to the aboveground fund until the unobligated principal balance of the aboveground fund equals or exceeds \$1,500,000 or until subsection (b)(1) requires moneys to be credited to the underground fund, whichever occurs first. At any time when the unobligated principal balance of the aboveground fund exceeds \$1,500,000, the excess shall be transferred to the underground fund.

(3) At any time when the moneys cease to be credited to the aboveground fund before the unobligated principal balance of the aboveground fund equals or exceeds \$1,500,000, such moneys shall again be credited to the aboveground fund when the unobligated principal balance of the underground fund equals or exceeds \$5,000,000. Such moneys shall continue to be credited to the aboveground fund until the unobligated principal balance of the aboveground fund equals or exceeds \$1,500,000 or until subsection (b)(1) requires moneys to be credited to the underground fund, whichever occurs first.

(4) At any time when subsections (b)(1), (b)(2) and (b)(3) do not require moneys to be credited to either the underground fund or the aboveground fund, the excess shall be transferred to the UST redevelopment fund. If the unobligated principal balance of the UST redevelopment fund is equal to \$2,000,000 or less, the moneys shall be credited to the UST redevelopment fund until the unobligated principal balance of the UST redevelopment fund equals or exceeds \$5,000,000 or until subsections (b)(1), (b)(2) or (b)(3) require money.

(5) At any time when subsections (b)(1), (b)(2), (b)(3) and (b)(4) do not require moneys to be credited to either the underground fund, the aboveground fund or the UST redevelopment fund, the money shall be credited to the environmental stewardship fund. If the unobligated principal balance of the environmental stewardship fund is equal to \$2,000,000 or less, the money shall be credited to the environmental stewardship fund until the unobligated principal balance of the environmental stewardship fund equals or exceeds \$5,000,000 or until subsections (b)(1), (b)(2), (b)(3) or (b)(4) require money.

(c) At any time when subsections (b)(1), (b)(2), (b)(3), (b)(4) and (b)(5) do not require moneys to be credited to either the underground fund, the aboveground fund, the UST redevelopment fund or the environmental stewardship fund, no environmental assurance fees shall be levied unless and until such time as the unobligated principal balance in the underground fund is less than or equal to \$2,000,000 or the unobligated principal balance in the aboveground fund is less than or equal to \$500,000 or the unobligated principal balance in the UST redevelopment fund or environmental stewardship fund is less than or equal to \$2,000,000, in which case the collection of the environmental assurance fee will resume within 90 days following the end of the month in which such unobligated balance occurs. If no environmental assurance fees are being levied, the director of accounts and reports shall notify the secretary of revenue whenever the unobligated principal balance in the underground fund is \$2,000,000 or the unobligated principal balance in the aboveground fund is \$500,000 or the unobligated principal balance in the UST redevelopment fund or environmental stewardship fund is \$2,000,000, and the secretary of revenue shall then give notice to each person subject to the environmental assurance fee as to the imposition of the fee and the duration thereof.

The director of accounts and reports shall cause to be published each month, in the second issue of the Kansas register published in such month, the amount of the unobligated principal balances in the underground fund and the aboveground fund on the last day of the preceding calendar month.

(d) Every manufacturer, importer or distributor of any petroleum product liable for the payment of environmental assurance fees as provided in this act, shall report in full and detail before the 25th day of every month to the secretary of revenue, on forms prepared and furnished by the secretary of revenue, and at the time of forwarding such report, shall compute and pay to the secretary of revenue the amount of fees due on all petroleum products subject to such fee during the preceding month.

(e) All fees imposed under the provisions of this section and not paid on or before the 25th day of the month succeeding the calendar month in which such petroleum products were subject to such fee shall be deemed delinquent and shall bear interest at the rate of 1% per month, or fraction thereof, from such due date until paid. In addition thereto, there is hereby imposed upon all amounts of such fees remaining due and unpaid after such due date a penalty in the amount of 5% thereof. Such penalty shall be added to and collected as a part of such fees by the secretary of revenue.

(f) The secretary of revenue is hereby authorized to adopt such rules and regulations as may be necessary to carry out the responsibilities of the secretary of revenue under this section.

### **Section 7-Rate Updates**

#### **Please list any rate updates for your state:**

Kansas Motor Fuel tax rates have remained the same since July 1, 2003, with the exception of a separate tax rate of \$.17 per gallon for E-85, effective January 1, 2007.

The CNG tax rate changed to \$.24 per GGE and LNG changed to \$.26 per DGE effective July 1, 2014 as a result of 2014 House Bill 2057.

### **Section 8-State Collection Allowance**

The Kansas handling allowance rate is 2.5% for all taxable fuels. The handling allowance cannot be claimed on direct sales from the terminal to a consumer. Importer/exporter licensees are not eligible to receive the handling allowance.

See K.S.A. 79-3408.

### **Section 9-State Diversion Requirements**

**Diversion Required** No.

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

NA.

**What diversion registry program do you use?**

Kansas does not require registration of diversions; however, we do subscribe to and obtain diversion information from FuelTrac.US provided by Straight Dark Ventures LLC.

**What products are subject to the diversion requirement?**

NA.



## **Diversion Requirements**

NA.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

NA.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

NA.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes.**

**Any Additional Comments?** NA.

## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives**

#### **Ethyl Alcohol Producer Incentive - Program expired July 1, 2018**

(Reference [Kansas Statutes](#) 79-34,160 et. seq.)

#### **Biodiesel Fuel Producer Incentive - Program expired July 1, 2016**

(Reference [Kansas Statutes](#) 79-34,155 et. seq.)

#### **Retail Dealer Incentive**

**NOTE: Funding for this incentive has not been provided to date.**

Beginning January 1, 2009, a licensed retail motor fuel dealer may receive a quarterly incentive for selling and dispensing renewable fuels, including biodiesel. Qualified motor fuel retail dealers are eligible for up to \$0.065 for every gallon of renewable fuel sold and up to \$0.03 for every gallon of biodiesel sold, if the required threshold percentage is met. The threshold percentage for the incentive payment will increase on an annual basis from 10% for renewable fuel and 2% for biodiesel in 2009 to 25% beginning on January 1, 2025. Funds will be allocated from the Kansas Retail Dealer Incentive Fund.

- Kansas Retail Dealers Incentive Fund was created for the payment of incentives to Kansas retail dealers who sell and dispense renewable fuels or biodiesel through a motor fuel pump.
- This incentive has not been funded to date.
- The provisions of the Kansas Retail Dealers Incentive Fund shall expire on January 1, 2026.

(Reference [Kansas Statutes](#) 79-34,170 et. seq)

#### **Alternative Fuel Vehicle (AFV) Tax Credit**

The state offers an income tax credit worth up to 40% of the incremental or conversion cost for

qualified AFVs placed into service after January 1, 2005, as outlined in the chart below. Qualified AFVs include vehicles that operate on a combustible liquid derived from grain starch, oil seed, animal fat, or other biomass, or produced from a biogas source.

<b>GVWR</b>	<b>Credit</b>
Less than 10,000 lbs.	Up to \$2,400
10,000 to 26,000 lbs.	Up to \$4,000
Over 26,000 lbs.	Up to \$40,000

Alternatively, a tax credit in an amount not to exceed the lesser of \$750 or 5% of the cost of the AFV is available to a taxpayer who purchases an original equipment manufacturer AFV. This credit is allowed only to the first individual to take title of the vehicle. For motor vehicles capable of operating on E85, the individual claiming the credit must provide evidence of purchasing at least 500 gallons of E85 between the time the vehicle was purchased and December 31 of the next calendar year. This tax credit should be deducted from the taxpayer's income tax liability for the taxable year in which the expenditures are made. In the event the credit is more than the taxpayer's tax liability for that year, the remaining credit may be carried over for up to three years after the year in which the expenditures were made. For tax year 2013 and all tax years thereafter, this income tax credit shall only be available to taxpayers subject to the income tax on corporations imposed pursuant to subsection (c) of K.S.A. 79-32,110, and amendments thereto, and shall be applied against such taxpayer's corporate income tax liability. (Reference [Kansas Statutes](#) 79-32,201)

#### **Alternative Fuel Refueling Infrastructure Tax Credit**

The state offers an income tax credit for alternative fuel refueling stations placed in service after January 1, 2009. The tax credit, worth up to 40% of the total amount, may not exceed \$100,000. This tax credit should be deducted from the taxpayer's income tax liability for the taxable year in which the expenditures are made. In the event the credit is more than the taxpayer's tax liability for that year, the remaining credit may be carried over for up to three years after the year in which the expenditures were made. For tax year 2013 and all tax years thereafter, this income tax credit shall only be available to taxpayers subject to the income tax on corporations imposed pursuant to subsection (c) of K.S.A. 79-32,110, and amendments thereto, and shall be applied against such taxpayer's corporate income tax liability. (Reference [Kansas Statutes](#) 79-32,201)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.26/gallon	B100 is taxable	B100 is subject to the Environmental Assurance Fee (EAF). <i>(All other blends are subject to EAF and Petroleum Products Inspection Fee).</i>	E100	Not taxable until blended.  \$0.17/gallon for E85 \$0.24/gallon for all other blends	Not subject to Petroleum Products Inspection Fee or Environmental Assurance Fee until blended.

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 and all blends are treated like diesel fuel. The tax rate is \$0.26/gallon. A license is required to import B100 and all blends (Liquid Fuel Carrier as well as distributor or importer license).	There is no tax on ethanol <b>until</b> it is blended or placed in the fuel supply tank of a motor vehicle. E85 is taxed at \$0.17/gallon. All other blends are taxed at \$0.24/gallon. A license is required to import ethanol blends (Liquid Fuel Carrier as well as distributor or importer license).

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$.24/GGE	126.67 cubic feet or 5.66 pounds = 1 GGE
<b>E85</b>	\$.17/gallon	NA
<b>Electric Vehicles/Electricity</b>	NA	NA
<b>Gasoline Hybrid Vehicles</b>	\$.24/gallon	NA
<b>Hydrogen</b>	NA	NA

<b>LNG (Liquefied Natural Gas)</b>	\$.26/DGE	6.06 pounds = 1 DGE
<b>LPG (Liquefied Petroleum Gas)</b>	\$.23/gallon	NA
<b>Methanol or "M85"</b>	NA	NA
<b>Other</b>	NA	NA

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Blendstocks are not reportable or taxable until blended with a taxable fuel.		

**Section 16-How does your state handle contaminated fuel?**

Contaminated, destroyed or lost motor-vehicle fuel and special fuels are eligible for refund of motor fuel, tax per K.S.A. 79-3417, when the loss is 100 gallons or more at any one instance while such distributor is the owner and the loss was due to theft, leakage, fire, explosion, lightning, flood, storm or other cause beyond the control of the distributor.

The distributor shall notify the director in writing of such loss or destruction, the specific cause thereof, and the amount of motor-vehicle fuel or special fuel lost or destroyed, within 60 days from the date of the loss or destruction. Within 30 days after notifying the director of such loss or destruction such distributor shall file with the director an affidavit on oath, stating the full circumstances and amount of the loss or destruction along with supporting documentation such as bill of lading, insurance claim, police report, fire report, refinery weigh ticket and any other information requested by the director.

The director shall examine all such claims and determine the amount to which the claimant is entitled.

**Section 17-Does your state allow bad debt credits?**

Kansas does not allow for bad debt credits.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Distributors Tax Return (MF-52)	25 <sup>th</sup> of the month following the period reported.	25 <sup>th</sup> of the month following the period reported.
Producer/Manufacturer, Blender, End Consumer Motor Fuel Tax Report (MF-54)	25 <sup>th</sup> of the month following the period reported.	25 <sup>th</sup> of the month following the period reported.
Motor Fuel Retailers' Informational Return (MF-90)	25 <sup>th</sup> of the month following the period reported.	NA Informational return – no remittance.
Motor Fuel Inventory Tax Return (MF-219)	25 <sup>th</sup> of the month following the tax increase/decrease.	25 <sup>th</sup> of the month following the tax increase/decrease.
Liquefied Petroleum Motor Fuel Tax	25 <sup>th</sup> of the month following the period reported.	25 <sup>th</sup> of the month following the period reported.
Petroleum Products Inspection &	25 <sup>th</sup> of the month following the period reported.	25 <sup>th</sup> of the month following the period reported.
Liquid Fuel Carrier Petroleum Products	15 <sup>th</sup> of the month following the period reported.	NA Informational return.
Annual Renewal Mileage Permit and	Due Dec 31 and Decal due to be placed on vehicle by	

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

The postmark must be on or before the due date to be considered timely.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

There is no penalty for filing the return late, however if the remittance is delinquent, penalty is charged. The cut off time for EFT payments is 4:00 pm the day prior to the due date.

Example - For an ACH debit payment the transaction would have to be initiated no later than 4:00 pm on the 24<sup>th</sup>. If the 25<sup>th</sup> is on a weekend or Holiday then the payment must be initiated by 4:00 pm the last working day prior to the 25<sup>th</sup> in order to be timely remitted.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If the due date falls on a weekend or holiday the due date is the next working day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Distributors Tax Return (MF-52)	No penalty assessed for late filing of the return.	5% penalty and effective 1/1/23 – 12/31/23 interest of .5% per month and effective 1/1/2024 interest of .67% per month. Prior year interest rates may vary. Additional interest is assessed monthly on unpaid tax liability.
Producer/Manufacturer, Blender, End Consumer Motor Fuel Tax Report (MF-54)	No penalty assessed for late filing of the return.	5% penalty and effective 1/1/23 – 12/31/23 interest of .5% per month and effective 1/1/2024 interest of .67% per month. Prior year interest rates may vary.
Motor Fuel Retailers' Informational Return (MF-90)	No penalty assessed for late filing of the return.	NA Informational return.
Liquefied Petroleum Motor Fuel Tax Return (MF-202)	No penalty assessed for late filing of the return.	5% penalty and effective 1/1/23 – 12/31/23 interest of .5% per month and effective 1/1/2024 interest of .67% per month. Prior year interest rates may vary. Additional interest is assessed monthly on unpaid tax liability.
Petroleum Products Inspection & Environmental Assurance Fee Report (MF-7 & MF-7a)	No penalty assessed for late filing of the return.	5% penalty and effective 1/1/23 – 12/31/23 interest of .5% per month and effective 1/1/2024 interest of .67% per month. Prior year interest rates may vary. Additional interest is assessed monthly on unpaid tax liability.
Liquid Fuel Carrier Petroleum Products Report – Schedule of Deliveries (MF-206)	No penalty assessed for late filing of the return.	NA Informational return.

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E-85 is taxed at a lower rate than gasoline and other ethanol blends.

K.S.A. 79-3401. Citation of act; definitions.

(w) "E85 fuels" means an alternative fuel that is a blend of denatured ethanol and hydrocarbon that typically contains 85% ethanol by volume, but at a minimum must contain 70% ethanol by volume, and complies with ASTM specification D5798-99.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes.

K.S.A. 79-3416. Transportation of fuels; report; manifest; required statement. Every railroad, street railroad, interurban railroad or suburban railroad, every pipeline company, every common carrier, and every carrier for hire, who shall transport any liquid fuels, motor-vehicle fuels or special fuels, from any point outside of this state into this state, or between any two points in this state, or from any point in this state to any point outside this state, and every private carrier or other person who shall transport any liquid fuels, motor-vehicle fuels or special fuels from any other state into this state, or from this state into another state, or shall transport any liquid fuels, motor-vehicle fuels or special fuels exceeding 500 gallons in amount, for any distance exceeding 25 miles within this state, shall render a written report, under oath, to the director, on forms prescribed and furnished by the director, of all such transportation of liquid fuels, motor-vehicle fuels or special fuels so made to or from points within this state.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

NA.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

NA.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

NA.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change?**

**Is tax imposed on volume or value and when is it collected?**

Dyed diesel is subject to sales tax since it is exempt from state motor fuel tax.

The State sales tax rate is set by the legislature and depending on the location of the sale, local tax may also apply.

If motor fuel tax is refunded on motor fuel taxable products, such as gasoline or clear diesel, it becomes subject to state and local sales tax.

Sales tax is charged on value.

Kansas Retailers' Sales Tax statute

K.S.A. 79-3606. Exempt sales. The following shall be exempt from the tax imposed by this act:

(a) All sales of motor-vehicle fuel or other articles upon which a sales or excise tax has been paid, not subject to refund, etc.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

K.A.R. 92-3-17a License applications; bond requirements. (a) Each applicant for a distributor, importer, or manufacturer license shall post a **bond equal to a three months' average tax liability**. New businesses may submit a bond equal to 25% of its estimated tax liability for a 12- month period. The bond shall not be less than the minimum required by statute. The bond requirements shall be met before a license is granted. The bond may be a surety bond executed by an approved corporate surety or a cash bond. Either a cashier's check payable to the director or an escrow account with a Kansas bank shall be used for a cash bond.

Per K.S.A. 79-3403 Minimum bond amounts are;

- Distributor \$1,000.00
- Importer/Exporter \$5,000.00
- Manufacturer \$5,000.00

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale



- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	X	1,2,3,5,10
Importer/Exporter	X	1,2,3
Manufacturer	X	8,9
Retailer		4
Liquid Fuel Carrier		6

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

NA.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

NA.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns can be filed by paper or by EDI. Submission of amended returns should only include changes to be updated.

**Section 34-Does your state allow credit and rebills on the current month report?**

No. Prior period credit and rebills would not be allowed on a current return.

**Section 35-How many days are allowed to report late loads?**

Late loads from a previous month would be subject to review. They may possibly be allowed for the last 5 days of the prior month, otherwise, an amended return would be required.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

K.S.A. 79-3456. Invoice by licensed distributors or retailers; contents; copies. (a) At the time of making each delivery of motor-vehicle fuel or special fuel upon which a refund of the tax may be claimed, the licensed distributor or licensed retailer delivering the same shall make out an invoice which shall contain a serial number which shall not be repeated through any one calendar year, and which shall state the following:

- (1) The name of the distributor or retailer (printed or rubber stamped) selling the refund motor fuel;
- (2) the name of the purchaser;
- (3) the number of gallons of motor-vehicle fuel containing less than 10% agricultural ethyl alcohol thus purchased and delivered;
- (4) the number of gallons of motor-vehicle fuels containing 10% or more of agricultural ethyl alcohol thus purchased and delivered;
- (5) the date and place of delivery;
- (6) the number of gallons of special fuel purchased and delivered; and
- (7) the price paid for such motor-vehicle fuel or special fuel.

(b) The invoice prepared by a distributor or retailer shall be made out in triplicate unless the invoice is generated by automated procedures approved by the director. One copy of each invoice made out in triplicate shall be delivered to the purchaser at the time of purchase. Upon receiving payment in full for such motor-vehicle fuel or special fuel the distributor or retailer shall receipt for payment on the original invoices. A duplicate shall be retained by the distributor or retailer for a period of three years and shall be subject to examination by the director. Carbon or contact-type paper shall be used in making the first and second duplicate invoices unless the invoice is generated by automated procedures approved by the director.

(c) Invoices generated by automated procedures approved by the director shall be made out in duplicate. The original of each such invoice shall be delivered to the purchaser and upon receiving payment for such motor-vehicle fuel or special fuel the distributor or retailer shall receipt for payment on another original invoice. Duplicates of all such invoices shall be retained by the distributor or retailer for a period of three years.

(d) If the invoice of any distributor or retailer is not printed in triplicate or does not meet the requirements of this section then such distributor or retailer shall use the uniform invoice prepared and furnished free of cost by the director as provided in this act.

History: L. 1949, ch. 486, § 4; L. 1959, ch. 398, § 2; L. 1979, ch. 324, § 4; L. 1984, ch. 360, § 3; L. 1992, ch. 106, § 26; L. 1993, ch. 182, § 4; L. 1995, ch. 262, § 43; July 1.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

K.S.A. 79-3408. Tax imposed on use, sale or delivery of motor-vehicle fuels or special fuels; importation of motor-vehicle fuels or special fuels; incidence of tax imposed on distributor; allowance for certain losses; exempt transactions; reports required. (a) A tax per gallon or fraction thereof, at the rate computed as prescribed in K.S.A. 79-34,141, and amendments thereto, is hereby imposed on the use, sale or delivery of all motor-vehicle fuels or special fuels which are used, sold or delivered in this state for any purpose whatsoever.

(b) Unless otherwise specified in K.S.A. 79-3408c, and amendments thereto, the

incidence of this tax is imposed on the distributor of the first receipt of the motor fuel and such taxes shall be paid but once. Such tax shall be computed on all motor-vehicle fuels or special fuels received by each distributor, manufacturer or importer in this state or imported by any distributor, manufacturer or importer into this state and paid in the manner provided for herein, except that an allowance of 2.5% shall be made and deducted by the distributor to cover all ordinary losses which may have resulted from physical loss while handling such motor-vehicle fuels or special fuels. No such allowance shall be made on any motor-vehicle fuel or special fuel exported from the state or sold to the United States of America or any of its agencies or instrumentalities as are now or hereinafter exempt by law from liability to state taxation. No such allowance shall be made for any motor-vehicle fuel or special fuel sold or disposed of to a consumer in tank car, transport or pipeline lots. As used in this subsection, the term "distributor of the first receipt" shall include distributors, manufacturers and importers that import motor- vehicle fuels or special fuels into Kansas.

**(c) No tax is hereby imposed upon or with respect to the following transactions:**

(1) The sale or delivery of motor-vehicle fuel or special fuel for export from the state of Kansas to any other state or territory or to any foreign country.

(2) The sale or delivery of motor-vehicle fuel or special fuel to the United States of America and such of its agencies as are now or hereafter exempt by law from liability to state taxation.

(3) The sale or delivery of motor-vehicle fuel or special fuel to a contractor for use in performing work for the United States or those agencies of the United States above mentioned, provided such contractor has in effect with the United States or any such agency a cost-plus-a- fixed-fee contract covering the work.

(4) The sale or delivery of motor-vehicle fuel or special fuel which is aviation fuel.

(5) The first sale or delivery of motor-vehicle fuel or special fuel from a refinery, pipeline terminal, pipeline tank farm or other place to a duly licensed distributor who in turn resells to another duly licensed distributor.

(6) The sale or delivery of special fuel which is indelibly dyed in accordance with regulations prescribed pursuant to 26 U.S.C. 4082 and such special fuel is only used for nonhighway purposes.

(7) The sale of kerosene used as a fuel only to power antique steam motor vehicles first manufactured prior to 1940.

(d) Each distributor, manufacturer, importer, exporter or retailer shall make full reports and furnish such further information as the director may require with reference to all transactions upon which no tax is to be paid.

History: L. 1933, ch. 317, § 8; L. 1939, ch. 330, § 6; L. 1941, ch. 379, § 1; L. 1949, ch. 484, § 1; L. 1951, ch. 495, § 1; L. 1953, ch. 441, § 1; L. 1955, ch. 419, § 1; L. 1969, ch. 462, § 1; L. 1970, ch. 397, § 5; L. 1970, ch. 398, § 2; L. 1976, ch. 426, § 1; L. 1979, ch. 323, § 1; L. 1979, ch. 324, § 1; L. 1982, ch. 413, § 2; L. 1983, ch. 320, § 1; L. 1984, ch. 359, § 2; L. 1985, ch. 328, § 1; L. 1986, ch. 382, § 1; L. 1987, ch. 388, § 6; L. 1989, ch. 209, § 31; L. 1990, ch. 353, § 1; L. 1992, ch. 106, § 10; L. 1994, ch. 226, § 1; L. 1995, ch. 262, § 30; L. 1998, ch. 96, § 2; L. 2004, ch. 173, § 14; L. 2005, ch. 46, § 1; L. 2006, ch. 81, § 3; April 13.

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

K.S.A. 79-3415. Records, invoices and bills of lading. Each distributor, manufacturer, importer, exporter, retailer or user shall maintain and keep, for a period of three years, a full record or records of all motor-vehicle fuels or special fuels received, imported, used or sold and delivered within this state by such distributor, manufacturer, importer, exporter, retailer or user, together with invoices and bills of lading thereof, and such other pertinent papers as may be required by the director. 3415.

History: L. 1933, ch. 317, § 15; L. 1939, ch. 330, § 12; L. 1992, ch. 106, § 14; L. 1995, ch. 262, § 36; L. 2006, ch. 81, § 5; April 13.

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

For taxable fuel used in an off-road manner:

K.S.A. 79-3458. Claim for refund; time for filing; contents; signature. After purchasing or acquiring for use motor-vehicle fuel or special fuel upon which refund of the tax may be due, a purchaser and claimant may file with the director a claim on a form furnished by the director. Such claim for refund must be filed within **one year** after the date of purchase of the motor- vehicle fuels or special fuels on which a tax refund is claimed. The claim shall show or include the following:

- (1) The name, post office address and the refund permit number of the claimant;
- (2) the total number of gallons of motor-vehicle fuel or special fuel purchased as supported by original invoices or automated invoices or self-generated lists approved by the director that show the price of such motor-vehicle fuel or special fuel in full, including the motor-vehicle fuel or special fuel tax. If an original invoice is lost or destroyed, a statement to that effect shall accompany the claim for refund and such statement shall also set forth the date of delivery, the serial number of the invoice, number of gallons of motor-vehicle fuel or special fuel purchased and the name of the distributor or retailer from whom purchased; and if the director finds that the invoice was originally properly issued and that the claim is otherwise regular, the director shall allow such claim for refund;
- (3) the amount of the claim; and
- (4) if motor-vehicle fuel or special fuel for motor vehicles using the public highways is generally purchased for delivery directly to the fuel tank of such vehicles, the name of the dealer from whom the greater portion of such purchases are made.

All applications for refunds furnished by the director shall contain a printed warning clause. Every such application for refund if made by an individual shall be signed by the claimant and if the claimant is a corporation or association it shall be signed by one of the principal officers of the corporation or association and in the case of a partnership, by one of the partners.

History: L. 1949, ch. 486, § 6; L. 1959, ch. 398, § 3; L. 1972, ch. 377, § 1; L. 1975, ch. 505, § 2; L. 1992, ch. 106, § 27; L. 1995, ch. 262, § 45; L. 2004, ch. 173, § 15; July 1.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both. A customer will most often receive a credit memo for use with the next return(s) filed if a credit is the result of an amended return and, can be used within 6 months. A claim for refund due to taxable fuel used in an off-road manner starts with an Application for Motor Vehicle/Special Fuel Tax Refund Permit, form MF-51.

**Section 41- Does your state accept electronic BOLs?**

Yes. Terminal manifests/BOL's can be received electronically in an excel spreadsheet format. The excel file can be emailed to [kdor\\_motor.fuel@ks.gov](mailto:kdor_motor.fuel@ks.gov). Scanned copies of original BOLs may still be requested at any time.

The account id record is in row 1 in the following Data Layout format:

COLUMN	DATA NAME	LENGTH MAXIMUM	EXAMPLE
A	Terminal Number	9	T48KS0000
B	BOL number	9	999999999
C	Received date	10	01/01/2020
D	Supplier license number	5	11234
E	Carrier name	36	Any name
F	Destination State	2	KS
G	Destination City	23	Topeka
H	Purchaser license number	5	12345
I	Product code	3	065
J	Gross gallons	9	999999999
K	Net gallons	9	999999999

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Kansas requires BOL date (origin sales) when product is loaded into railcar destined for our state for loads to be reported on our monthly tax returns.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes, motor fuel tax returns and instructions can be found at [www.ksrevenue.gov/forms-mfmisc.html#dist](http://www.ksrevenue.gov/forms-mfmisc.html#dist)

# STATE OF KENTUCKY

## **Section 1-Contact Information**

**Agency:** Department of Revenue

**Name:** Matthew Watts

**Street Address:** 501 High Street

**City, State Zip Code:** Frankfort, KY 40601

**Phone Number:** 502-564-9746

**Fax Number:** 502-564-2906

**E-mail Address:** Matthew.Watts@ky.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Statutes: [Motor Fuels](#) - KRS 138.210 through 448, 502, and 990 through 992. [Liquefied Petroleum](#) – KRS 234.310 through 440 and 990. Petroleum Environmental Assurance Fee – KRS [224.60-145](#). Regulations: [103 KAR Chapter 43](#)

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Distributor

**Jet Fuel:** Exempt under KRS [138.210\(18\)](#)

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-:

Point of Taxation: Distributor per [KRS 138.220](#).

## **Section 5-State Tax Rates**

**Gasoline:** Effective July 1, 2024, through June 30, 2024, Gasoline's tax rate is \$0.264 per gallon.

**Diesel:** Effective July 1, 2024, through June 30, 2024, Special Fuel's tax rate is \$0.234 per gallon.

**Aviation Fuel:** Same rate as Gasoline

**Jet Fuel:** Not subject to the Motor Fuels Tax, but subject to the 6% Sales Tax.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Net Gallons. Gasoline and Special Fuel gallons are reported at sixty (60) degrees Fahrenheit. KRS 138.240 (3) and 138.250

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Petroleum Environmental Assurance Fee – \$0.014 per gallon of fuel subject to gasoline or special fuel tax. [KRS 224.60-145](#).

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

Motor Fuel Tax Rates are adjusted on an annual basis based on an average of the quarterly average wholesale price ([AWP](#)) calculations for the previous fiscal year. See section 5.

## **Section 8-State Collection Allowance**

Dealers Compensation is 2.25% per gasoline and special fuel return when filed and paid timely. It covers evaporation, shrinkage, unaccountable losses, collection costs, bad debts, and handling and reporting the tax.

## **Section 9-State Diversion Requirements**

**Diversion Required** No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?**

None

**What products are subject to the diversion requirement?**

None

### **Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Licensed Dealer who diverts the fuel.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? No**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? No**

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives**

#### **Alternative Fuel Production Tax Incentive Refund**

The Kentucky Economic Development and Finance Authority ([KEDFA](#)) Kentucky Enterprise initiative Act ([KEIA](#)) provides a tax refund of up to 100% of the state sales tax paid on the purchase of personal property used to construct, retrofit, or upgrade an alternative fuel production or gasification facility. Additionally, the KEDFA Kentucky Business Investment Program ([KBI](#)) provides a credit of up to 100% of the income tax and limited liability entity tax that would otherwise be owed by a company for an alternative fuel production or gasification facility. [KRS 154.31-030](#), [KRS 152.32](#)

#### **Alternative Fuel Job Creation Wage Assessment**

The Kentucky Economic Development and Finance Authority (KEDFA) allows approved companies to require that employees, as a condition of employment, whose job was created as the result of a construction, retrofit, upgrade, or operation of an alternative fuel production or gasification facility to agree to pay a wage assessment of up to 4% of their gross wages to the company. Employees will be allowed a state income tax credit equal to the assessment withheld from their wages. [KRS 154.32-090](#)

#### **Alternative Fuel Production Tax Credit**

An income tax credit is available for biofuels producers of \$1.00 per gallon of biodiesel and renewable diesel as defined in [KRS 141.422](#). The total amount of credit for all biodiesel producers, biodiesel blenders, and renewable diesel may not exceed the tax credit cap established in [KRS 141.422](#). Unused credits may not be carried forward and applied to a future tax return. For the purpose of this credit, biodiesel must meet American Society for Testing and Materials (ASTM) specification D6751, ethanol ASTM standard D4806, and renewable diesel must meet ASTM standard D975 or D1655.



### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
Taxable as a Special Fuel.	Biodiesel is subject to the Special Fuel's Tax.	Subject to the Petroleum Environmental Assurance Fee when subject to the special fuel tax.	Taxable at the Gasoline tax rate when blended with gasoline or used wholly on the road.	Subject to Gasoline Tax rate when blended or used wholly on the road.	Subject to the Petroleum Environmental Assurance Fee when subject to the gasoline tax.

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
All biodiesel fuel meets Kentucky's definition of a Special Fuel and is subject to the Special Fuel's Tax.	Ethanol is not taxed until blended with gasoline or used wholly on the road, then it is subject to the Gasoline Tax.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or "M85", and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Taxed as Special Fuel	5.66 lbs. or 126.67 cu ft equals one (1) gallon
<b>E85</b>	Taxed as Gasoline	Not Applicable
<b>Electric Vehicles/Electricity</b>	Not Applicable	Not Applicable
<b>Gasoline Hybrid Vehicles</b>	Taxed on gasoline used.	Not Applicable
<b>Hydrogen</b>	Taxed as Special Fuel	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Taxed as Special Fuel	6.06 lbs. equals one (1) gal.
<b>LPG (Liquefied Petroleum Gas)</b>	Taxed at the same rate as Gasoline when used on road.	Not Applicable
<b>Methanol or "M85"</b>	Taxed at the same rate as Gasoline if blended or used wholly as a motor fuel.	Not Applicable

<b>Other</b>	Taxed as either gasoline or special fuels depending on which definition it comes under per <a href="#">KRS 138.210</a> .	Not Applicable
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**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Anything blended with gasoline	Gasoline tax rate	Yes when blended with gasoline or used wholly as a motor fuel is subject to tax.
Anything blended with special fuel	Special Fuel tax rate	Yes when blended with a special fuel or used wholly as a motor fuel is subject to tax.

**Section 16-How does your state handle contaminated fuel?**

If contaminated fuel is sold, it is handled like the fuel type and either taxed or exempted per the fuel type statutes. Non-saleable situations are handled as a fuel loss using form [Statement of Claim for Accountable Loss of Motor Fuel - Form 72A078](#).

**Section 17-Does your state allow bad debt credits?**

Bad debt is covered under dealer's compensation as part of [KRS 138.270\(1\)\(b\)](#).

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Licensed Gasoline Dealer's Monthly Report, Licensed Special Fuel's Dealer's Monthly Report, Monthly Report Liquefied Petroleum Gas Dealer, Terminal Operators Report, and the Petroleum Environmental Assurance Fee Monthly Report.	25 <sup>th</sup> of the month following the end date of the period	Due same day as the report

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmark

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Returns must be filed (certified) no later than 11:59 pm Eastern Time on the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

They are due the next business day following the weekend or holiday.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Any report filed late	2% of tax due for each 30 days that the report is late. Total penalty shall not exceed 20% of the total tax due, but not less than ten dollars (\$10).	2% of tax due for each 30 days that the report is late. Total penalty shall not exceed 20% of the total tax due, but not less than ten dollars (\$10).
Failure to file any report	5% of the tax assessed for each 30 days or fraction thereof that the report is not filed. Total penalty shall not exceed 50% of the tax assessed, but not less than twenty-five dollars (\$100).	

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Ethanol blended with gasoline is required to be reported as gasoline. All ethanol/gasoline blend percentages whether 1% up to 99% are required to be reported on the gasoline dealer's report.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Kentucky does require transporter returns of third party haulers. Transporters of tax unpaid gasoline or special fuels, other than by a licensed gasoline or special fuel dealer, is required to be licensed under [KRS 138.310](#).

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

N/A

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Sales tax is imposed on motor fuel sold without the imposition of the motor fuels tax. It is calculated at six (6) percent of the purchase price.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Kentucky requires a financial instrument based on three months' liability. Financial instruments are singly or in combination either a surety bond, a letter of credit, or a compensating balance with a financial institution. Statutory references are [KRS 138.210\(10\)](#) and [138.330](#).

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail

- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Gasoline Distributor	X	1,2,3,5,6,7,8,9,10
Special Fuel Distributor	X	1,2,3,5,6,7,8,9,10
LP Distributor	X	4
Transporter		6
*Terminal – no licence issued, required to file report		5,7,10

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-Does you state require pre-collection election?**

No

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically. When amended returns are filed with only the corrections.

**Section 34-Does your state allow credit and rebills on the current month report?**

Kentucky does not allow out of period reporting. Dealers issuing credits and rebills on prior period bill of ladings will need to amend that period's return.

**Section 35-How many days are allowed to report late loads?**

There is no allowance for late load reporting. All late loads are subject to the tax due for the period when shipment occurred, the interest due, and any applicable penalties for late payment.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

N/A

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

- [KRS 138.240\(2\)\(a\)](#) - Bulk sales of gasoline or special fuels for use exclusively in equipment or vehicles owned or leased by the U. S. Government.
- [KRS 138. 240\(2\)\( c\)](#) - Gasoline or special fuel delivered upon or immediately adjacent to a river or stream, if:
  1. The gasoline or special fuel is or will be delivered into the fuel supply tank of a commercial ship or vessel which has a valid certificate of documentation issued by the United States Coast Guard; and
  2. All the fuel will be used exclusively in the operation of a commercial ship or vessel.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

5 Years – [KRS 138.230](#)

**Section 39-What is your statute of limitations to refund motor fuel tax?**

4 Years – [KRS 134.580](#)

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both

**Section 41- Does your state accept electronic BOLs?**

As long as it is submitted in a format that KY DOR has access to view.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Origin sales

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

No

# STATE OF LOUISIANA

## **Section 1-Contact Information**

**Agency:** Louisiana Department of Revenue  
**Name:** Shanda J. McClain  
**Street Address:** 617 North Third Street  
**City, State Zip Code:** Baton Rouge, LA 70802  
**Phone Number:** (225) 219-2786  
**Fax Number:** (225) 219-2759  
**E-mail Address:** [shanda.mcclain@la.gov](mailto:shanda.mcclain@la.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Louisiana Revised Statutes 47:818.1 - 818.132 and 820.1  
Louisiana Administrative Code 61:I.3101 - 3501

## **Section 3-State Point of Taxation**

**Gasoline:** Terminal; import  
**Diesel:** Terminal; import  
**Aviation Fuel:** Not taxed if used for aviation purposes; otherwise at time sold/used for taxable purpose  
**Jet Fuel:** Not taxed if used for aviation purposes; otherwise at time sold/used for taxable purpose

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

Point of Taxation: “Point of imposition of tax” found at LA RS 47:818.13



### **Section 5-State Tax Rates**

<b>Gasoline:</b>	\$0.20 per gallon
<b>Diesel:</b>	\$0.20 per gallon
<b>Aviation Fuel:</b>	Exempt if used for aviation; otherwise \$0.20 per gallon
<b>Jet Fuel:</b>	Exempt if used for aviation; otherwise \$0.20 per gallon

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Gasoline and diesel--Net gallons (La. R.S. 47:818.12)

Compressed Natural Gas, Liquefied Natural Gas and Liquefied Petroleum Gas—gallon or gallon equivalent (La. R.S. 47:818.111)

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

LA RS 3:4684 – Petroleum Products Inspection Fee at the rate of 4/32 of 1 cent per gallon on all petroleum products except LPG, CNG, LNG – reported on motor fuel tax reports and collected at the same time and in similar manner as motor fuel tax

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

None for 2024

### **Section 8-State Collection Allowance**

LA RS 47:818.22 – suppliers/permissive suppliers allowed one-half percent of the tax due on gasoline and diesel fuels, as defined, for timely filing and paying; allowance net deductible unless the supplier/ permissive supplier allows a deduction of one-third of one percent to a valid licensed distributor or importer [Effective July 1, 2015, per Acts 2015, No. 147]

### **Section 9-State Diversion Requirements**

**Diversion Required:**

Reporting a diversion – Yes – [LA RS 47:818.48]

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number:**

LA RS 47:818.48(A)

**What diversion registry program do you use?**

Fuel Trac

**What products are subject to the diversion requirement?**

All gasoline and diesel fuels as defined in statute

**Diversion Requirements:**

See LA RS 47:818.48

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Licensee ordering the diversion

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

No

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

Yes - however, seldom done

**Any Additional Comments?**

The licensee ordering the diversion is responsible for paying the applicable destination state taxes along with filing a claim for refund with the origin state or the original destination state whose taxes have been collected.

**Section 10-Alternative Fuels Incentives and Laws**

Louisiana has at least 2 areas that are part of the Clean Cities Coalition:

Greater Baton Rouge Clean Cities Coalition ([www.gbrccc.org](http://www.gbrccc.org)).

Southeast Louisiana Clean Fuel Partnership ([www.cleanfuelpartnership.org](http://www.cleanfuelpartnership.org))

Also see: [www.afdc.energy.gov/afdc/laws/poc/LA](http://www.afdc.energy.gov/afdc/laws/poc/LA)

**State Incentives:**

**Alternative Fuel Vehicle (AFV) and Refueling Infrastructure Tax Credit:**

Acts 2009, No. 469 repealed R.S. 47:38 and 287.757 and enacted R.S. 47:6035 dealing with alternative fuel vehicles. According to statute, any person or corporation purchasing qualified clean-burning motor vehicle fuel property shall be allowed a credit against their income tax liability. The credit shall be allowed against individual or corporate income tax for the taxable period in which the property is purchased and installed, if applicable. "Qualified clean-burning motor vehicle fuel property" is defined as equipment necessary for a motor vehicle to operate on an alternative fuel and shall not include equipment necessary for operation of a motor vehicle on gasoline or diesel. Credit sunset on January 1, 2022.

**Biodiesel Equipment and Fuel Tax Exemption:**

Certain property and equipment used to manufacture, produce, or extract unblended

biodiesel, as well as unblended biodiesel used as fuel by a registered manufacturer, are exempt from state sales and use taxes. Unblended biodiesel is defined as B100 that meets the American Society of Testing and Materials (ASTM) standard D6751. These provisions expired June 30, 2012. (Reference LA RS 47:301(7)(j) and (10)(y)(i)).

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.20 per gallon	Taxable same as diesel	Subject to the Inspection Fee of \$0.00125 per gallon	\$0.20 per gallon	Taxable same as gasoline	Subject to the Inspection Fee of \$0.00125 per gallon

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated same as diesel - \$0.20 per gallon.	Ethanol is treated same as gasoline - \$0.20 per gallon.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Taxable when used as a vehicle fuel – \$.20 per GGE	<b>GGE = 5.660 pounds</b>
<b>E85</b>	Taxed same as gasoline - \$.20 per gallon	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	Gasoline used as fuel - \$.20 per gallon	<b>Not Applicable</b>
<b>Hydrogen</b>	No	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Taxable when used as a vehicle fuel – \$.20 per DGE	<b>DGE = 6.060 pounds</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Taxable when used as a vehicle fuel – \$.146 per GGE	<b>GGE = 73% of rate</b>
<b>Methanol or “M85”</b>	Taxable when used as a road vehicle fuel - \$.20 per gallon	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

According to the Louisiana Liquefied Petroleum Gas Commission, CNG, LNG, and LPG dispensed at retail outlets for vehicle fuel are dispensed in gallons based on gasoline gallon

equivalent. The fuel tax on the use of these fuels changed from decals to gallon equivalents taxed at pump effective January 1, 2016.

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

Yes. The individual dealers pay the fee directly to PERC.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
See list at IRS Reg. 48.4801-1(c)(3)*	\$.20 per gallon	Yes

\*Per LA RS 47:818.2(33)

**Section 16-How does your state handle contaminated fuel?**

No statutory provisions addressing contaminated fuel. However, should the fuel have been a tax-paid fuel, a specific claim for refund may be submitted for consideration.

**Section 17-Does your state allow bad debt credits?**

Yes. LA RS 47:818.22(C) provides:

\* \* \*

C.(1) A supplier or permissive supplier may take a credit for any taxes that were not remitted in a previous period to the supplier or permissive supplier by a licensed distributor or licensed importer as required by R.S. 47:818.20. The supplier or permissive supplier is eligible to take the credit if the secretary is notified of the default within thirty days after the default occurs. If a license holder pays to a supplier or permissive supplier the tax owed, but the payment occurs after the supplier or permissive supplier has taken a credit on its return, the supplier or permissive supplier shall remit the payment to the secretary with the next monthly return after receipt of the tax.

(2) In the event that the credit to the supplier originates out of a failure to pay a destination state motor fuel tax on shipments removed for export under R.S. 47:818.14(C), the presumption as set forth in R.S. 47:818.11 shall be raised that the fuel was removed for use in this state and thus taxable. The secretary shall seek payment of the tax in a dual capacity both to protect the interests of this state and as the base state from which the shipment originated to assist the destination state in the reporting or collection of tax due upon the receipt of the fuel into that state.

### **Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Supplier/Permissive Supplier Monthly Return	22 <sup>nd</sup> day of month following period reported	22 <sup>nd</sup> day of month following period reported
Distributor/Exporter/Blender Monthly Return	20 <sup>th</sup> day of month following period reported	20 <sup>th</sup> day of month following period reported
Importer Monthly Return	15 <sup>th</sup> day of month following period reported	15 <sup>th</sup> day of month following period reported

### **Section 19-Does your state consider postmarked or received by due date as timely filed?**

For returns mailed, postmark date is considered in determining timely filing. If delivery is by a courier or taxpayer, the date delivered is used.

### **Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

For returns submitted electronically, the return is considered filed on the date transmitted. Electronic payments are deemed paid on the date the transmitted funds are posted to the State's account. Currently, motor fuel returns cannot be filed electronically, only payments are accepted electronically.

### **Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

When due dates fall on a weekend or holiday, the filing is considered timely if filed on the next business day. Electronic payments must be transferred in such a manner as to be posted by the next

business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Monthly Returns: Supplier/Permissive Supplier; Importer; Distributor/Exporter/Blender	5% of amount due for each 30 days, or fraction thereof, from date due until filed, not to exceed 25%	5% of amount due for each 30 days, or fraction thereof, from date due until filed, not to exceed 25% plus interest accrues from date due until paid at rate provided in Form R-1111.
Informational returns for Terminal Operator; Motor Fuel Transporter; Aviation Fuel Dealer	\$100 penalty if not filed with 30 days of due date	

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated in the same manner as gasoline fuels.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes. Any person who transports by marine vessel, railroad tank car, or transport vehicle. (LA RS 47:818.31)

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Transactions occurring above the rack between licensed parties are tax-free. The entity last owning the fuel before it leaves the terminal rack is responsible to report and remit tax, and the tax is to be included in the invoice price for subsequent sales.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Not allowed

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Not allowed

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No sales tax on fuel that is subject to the excise tax per state's Constitution.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Per LA RS 47:818.40:

Terminal Operator	Minimum of \$1,000,000 or an amount equal to 3 months tax liability, whichever is greater
Supplier/Permissive Supplier	Minimum of \$50,000 or amount equal to 3 months tax liability, whichever is greater
Distributor	Minimum of \$20,000 or an amount equal to 3 months tax liability, whichever is greater
Importer	Minimum of \$20,000 or an amount equal to 3 months tax liability, whichever is greater
Exporter	Minimum of \$20,000 or an amount equal to 3 months tax liability, whichever is greater
Blender	Minimum of \$20,000 or an amount equal to 3 months tax liability, whichever is greater
Interstate Motor Fuel User	Minimum of \$20,000 or an amount equal to 3 months tax liability, whichever is greater
Motor Fuel Transporter	No bond required
Aviation Fuel Dealer	No bond required

Per LA RS 47:818.117 for Special Fuels CNG, LNG, LPG:

Special Fuels Dealer	Minimum of \$50,000 or amount equal to 3 months tax liability, whichever is greater
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**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

Activity Descriptions:

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Terminal Operator		7
Supplier/Permissive Supplier	X	1,2,3,4,5,6,7,8,9,10
Importer	X	1
Distributor	X	3,4,6
Exporter		2
Blender	X	8
Motor Fuel Transporter		6
Aviation Fuel Dealer		3,4
Interstate Motor Fuel Users	X	1

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No – only one, not both.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No – no provision for election.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended return are filed both, electronically and paper. Amended returns are filed as a resubmission. The return is filed as it should have been originally.



**Section 34-Does your state allow credit and rebills on the current month report?**

Credit and rebills must be reported in the month in which the product was removed from the bulk transfer system or imported.

**Section 35-How many days are allowed to report late loads?**

Loads are reported in the month in which the product was removed from the bulk transfer system or imported.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

LA RS 47:818.47(A) and (D) regarding shipping documents:

A. Each person operating a refinery or terminal rack or any other facility where gasoline or diesel fuel is removed for transporting in a rail car or highway vehicle other than in the fuel supply tank shall prepare and provide to the operator of every rail car or highway vehicle receiving gasoline or diesel fuel at the facility a shipping document using a preprinted or machine generated form. The shipping document shall include:

(1) The name and physical address of the terminal or bulk plant from which the gasoline or diesel fuel was received.

(2) The name, federal employer identification number, or if an individual, the social security number if the federal employer identification number is not available, and address of the motor fuel transporter transporting the gasoline or diesel fuel.

(3) The date the gasoline or diesel fuel was loaded.

(4) The type of gasoline or diesel fuel.

(5) The number of gallons in:

(a) Net gallons if purchased from a terminal for export or import, or

(b) Net gallons or gross gallons if purchased from a bulk plant.

(6) The destination of the gasoline or diesel fuel as represented by the purchaser of the gasoline or diesel fuel and the number of gallons of the gasoline or diesel fuel to be delivered, if delivery is to only one state.

(7) The name, federal employer identification number, or if an individual, the social security number if the federal employer identification number is not available, and physical address of the purchaser of the gasoline or diesel fuel.

(8) Any other information that, in the opinion of the secretary, is necessary for the proper administration of this Part.

\* \* \*

D. If gasoline or diesel fuel is to be delivered to more than one state, the terminal shall document the split loads by issuing shipping documents that list the destination state of each portion of the gasoline or diesel fuel.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Federal government – La. RS 47:818.14(A)(1)-(3)

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

None. Louisiana law does not provide a statute of limitations period to file an amended return to remit additional tax.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Refunds or credits prescribe after three years from the 31<sup>st</sup> day of December of the year in which the tax became due or after one year from the date the tax was paid, whichever is later. [La. RS 47:1623(A)]

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both

**Section 41- Does your state accept electronic BOLs?**

Yes, the taxpayer is required to setup a portal. The electronic BOL is posted to the account as an attachment.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin**

**sales) or delivery date (delivered sales)?**

The BOL date is accepted for product shipped by railcar.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

While templates and instructions are not available on our website, the returns, schedules, forms and instructions are available and can be accessed using the link below

<https://revenue.louisiana.gov/Forms/ForBusinesses>

# **STATE OF MAINE (Last Updated 2023)**

## **Section 1-Contact Information**

**Agency:** Maine Revenue Services

**Name:** Judy Methot

**Street Address:** PO Box 1060

**City, State Zip Code:** Augusta ME 04332-1060

**Phone Number:** (207) 624-9626

**Fax Number:** (207) 287-6628

**E-mail Address:** judy.a.methot@maine.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Maine Revised Statutes Title 36, Part 5:

Chapter 451, Gasoline Tax

Chapter 459, Special Fuel Tax Act

## **Section 3-State Point of Taxation**

**Gasoline:** The tax imposed by this section is declared to be a levy and assessment on the ultimate consumer, and other persons levied and assessed pursuant to this chapter are agents of the State for the collection of the tax. The distributor that first receives the fuel in this State is primarily responsible for paying the tax except when the fuel is sold and delivered to a licensed exporter wholly for exportation from the State or to another licensed distributor in the State, in which case the purchasing distributor is primarily responsible for paying the tax. 36 M.R.S. § 2903(3).

**Diesel:** The tax imposed by this section is declared to be a levy and assessment on the ultimate consumer, and other persons levied and assessed pursuant to this chapter are agents of the State for the collection of the tax. The supplier and retailer are primarily responsible for paying the tax. 36 M.R.S. § 3203(2).

**Aviation Fuel:** See response above for “Gasoline.”

**Jet Fuel:** See response above for “Gasoline.”

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: This term is not specifically defined in either the Gasoline Tax or Special Fuel Tax Act; see Section 3 above for details.

Point of Taxation: See Section 3.

**Section 5-State Tax Rates**

**Gasoline:** \$0.300 per gallon. 36 M.R.S. § 2903(1).

**Diesel:** \$0.312 per gallon. 36 M.R.S. § 3203(1-B).

**Aviation Fuel:** \$0.300 per gallon. 36 M.R.S. § 2903(1).

**Jet Fuel:** \$0.034 per gallon. 36 M.R.S. § 2903(1).

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

The environmental fee for gasoline is 1.4 cents per gallon, and the environmental fee for diesel and kerosene is .67 cents per gallon. The statutory reference is MRSA Title 38 § 551.

**Section 7-Rate Updates**

**Please list any rate updates for your state:** The current tax rates for both Gasoline and Special Fuels have been in effect since July 1, 2011. Rate changes must be approved by the state legislature; there are no proposed rate updates at this time.

**Section 8-State Collection Allowance**

None

**Section 9-State Diversion Requirements**

**Diversion Required:** No.

**If Diversion is required, please state Statutory and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?**

**What products are subject to the diversion requirement?**

**Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Yes.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

#### **Biofuel Production Incentive**

The Biofuel Production Credit is reinstated for income tax years beginning on or after January 21, 2021. 36 M.R.S. § 5219-X(5).

#### **Alternative Fuel Tax**

The State Highway tax for each special fuel used in transportation is based on each fuel's energy content relative to gasoline. Effective July 1, 2009, the full gasoline excise tax rate is imposed on internal combustion engine fuel if the blended fuel contains at least 10% gasoline by volume. Effective July 1, 2009, the full diesel excise tax rate is imposed on biodiesel fuels that contain less than 90% biodiesel fuel by volume. The following rates are currently in effect. Ethanol (E85) is taxed at a rate of \$0.300 per gallon, propane (LPG) at \$0.219 per gallon, compressed natural gas (CNG) at \$0.243 per 100 standard cubic feet. Gasoline is taxed at a rate of \$0.300 per gallon and diesel is \$0.312 per gallon. (36 M.R.S. § 3203)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>Biodiesel B90-B00</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>

B99-B00	\$.287/gallon	None	E00	\$.198/gallon	None
B95-B98	\$.288/gallon		E99	\$.199/gallon	
			E98	\$.200/gallon	
			E97	\$.201/gallon	
			E96	\$.202/gallon	
B91-B94	\$.289/gallon		E95	\$.203/gallon	
			E94	\$.204/gallon	
			E93	\$.205/gallon	
			E92	\$.206/gallon	
B90	\$.290/gallon		E91	\$.207/gallon	

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
Same rate chart as above, as biodiesel blends from B90 – B00 are taxed at a reduced rate. B01-B89 are taxed at \$.312/gallon, the full diesel rate.	Same rate chart as above, as ethanol/gasoline blends from E91 – E00 are at taxed at a reduced rate. E01-E90 are taxed at \$.300/gallon, the full gasoline rate.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Taxable at .243	Per 100 cubic feet
<b>E85</b>	Taxable at .300	Not Applicable
<b>Electric Vehicles/Electricity</b>	Not taxed as motor fuel	
<b>Gasoline Hybrid Vehicles</b>	Gasoline tax rates	Not Applicable
<b>Hydrogen</b>	Taxable at .070	Per 100 cubic feet
<b>LNG (Liquefied Natural Gas)</b>	Taxable at .178	Per gallon
<b>LPG (Liquefied Petroleum Gas)</b>	Taxable at .219	Per gallon
<b>Methanol or “M85”</b>	Taxable at .300 if at least 10% gasoline by volume	85%*.147(Methanol rate) + 15% of other fuel
<b>Other</b>		Not Applicable



**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

Maine does not charge a state PERC.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable

**Section 16-How does your state handle contaminated fuel?**

Clear fuel that is contaminated by dyed diesel is reported on line 18a of the special fuel supplier return.

**Section 17-Does your state allow bad debt credits?**

Yes.

36 M.R.S. § 2906-A provides a refund to a retail dealer for a portion of the tax paid to a distributor or importer, which tax shall be reported and paid to the State Tax Assessor by the distributor or importer pursuant to section 2906. The portion of the tax for which there is a refund entitlement is represented by tax paid on accounts of the retailer found to be worthless and actually charged off by the retailer, but if any such accounts are thereafter collected by the retailer, the tax recovered shall be paid within 30 days of recovery directly by the retailer to the State Tax Assessor.

36 M.R.S. § 3214 allows a credit for tax paid on worthless accounts for the tax paid on sales made on credit and reported by a licensed supplier, wholesaler or retailer pursuant to section 3209 that are found to be worthless and actually charged off. The amount may be credited upon the tax due on a subsequent return. If those accounts are subsequently collected by the licensed supplier, wholesaler or retailer, a tax must be paid upon the amounts so collected. The credit must be reported on the return for the month in which the charge-off occurred.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Gasoline Distributor	21 <sup>st</sup> of following month	Same as report
Special Fuel Supplier	Last day of following month	Same as report

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

36 M.R.S. § 153 states, in part: “If any document or payment required or permitted by the Title to be filed or paid is transmitted by the United States Postal Service [...] the date of the [USPS] postmark stamped on the envelope is deemed to be date as the filing or payment.”

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Any time prior to midnight on the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

36 M.R.S. § 153(2) states that when the last day falls on a Saturday, Sunday, or legal holiday, the due date is the next regular business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
ALL	36 M.R.S. § 187-B(1)	36 M.R.S. § 187-B(2)

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is taxed as regular gasoline, as long as it contains at least 10% gasoline by volume. Each blend is rounded to the nearest percent, and only that which is E85 is considered E85.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

There is no statute in the State of Maine that allows motor fuel excise tax deferral at this time.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Sales tax is imposed on sales of tangible personal property unless an exemption or exclusion applies. 36 M.R.S. § 1760(8) exempts from sales and use tax the sale of motor fuels upon which the excise taxes have been paid. Dyed diesel that is not subject to the motor fuel excise taxes is subject to sales tax, based on the sale price charged to the purchaser. The rate is only changed through legislation. Historical rates are:

<i>Year</i>	<i>Sales Tax Rate:</i>
1957	3%
1963	4%
1967	4.5%
1969	5%
1991	6%
1998	5.5%
2000	5%
Oct. 1, 2013	5.5%

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

None.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Maine gasoline distributors and special fuel suppliers may hold either a licensed or registered certificate. Licensed certificate holders may both buy and sell motor fuel Maine excise tax exempt. Registered certificate holders may only buy and sell motor fuel Maine excise tax included. The distributor or supplier that first receives the motor fuel in Maine is primarily responsible for remitting the tax. The two exceptions in the statute are when the fuel is sold to a licensed exporter wholly for exportation, or to another licensed distributor or supplier. When the fuel is sold to another licensed distributor or supplier, the final purchasing distributor or supplier is required to remit the tax.

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Gasoline Distributor	X	1 through 10
Gasoline Exporter	X	1 through 10
Gasoline Importer	X	1 through 10
Special Fuel Supplier	X	1 through 10
Special Fuel Retailer	X	1 through 10

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Maine has no requirement to collect destination state taxes. Maine state excise tax is collected when delivered to the retail level, or when sold to an unlicensed entity.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Maine does not tax at the rack.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

**Section 34-Does your state allow credit and rebills on the current month report?**

Maine allows credits and rebills in current periods.

**Section 35-How many days are allowed to report late loads?**

All motor fuel loads must be reported within the statutory time limit for the motor fuel returns: The 21<sup>st</sup> of the following month for gasoline distributors and the end of the following month for special fuel suppliers.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

The electronic schedules required by Maine include the following columns: Product Code, Carrier Name, Carrier FEIN, Mode, Origin, Destination, Acquired From or Sold To, Seller or Buyer FEIN, Date, Document Number, and Gross Gallons.

There is not a specific statutory reference for the above requirements. The general reference is 36 M.R.S. § 2906 for gasoline, and 36 M.R.S. § 3209(1)1 for special fuel.

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

For both gasoline and special fuel, exemptions include bulk sales to the State of Maine and any political subdivisions of the state, including cities, towns, counties as well as quasi-governmentals. All the gasoline exemptions are found at: 36 M.R.S. § 2903(4); paragraph C exempts bulk sales to any agency of the State of Maine and any political subdivision of Maine, and paragraph F exempts sales of gasoline where taxation is precluded by federal law or regulation.

The special fuel exemptions are found at: 36 M.R.S. § 3204-A, and the specific exemption for bulk sales to the State of Maine and political subdivisions is found in subsection 3. The section exempting special fuel due to federal law is in subsection 4. Subsection 9 exempts “biodiesel fuel that is produced by an individual and used by that same individual or a member of the individual’s immediate family.”

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Maine does not have a statute of limitations to file amendments to remit additional tax.

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

The statute of limitations for filing for a refund of motor fuel tax varies depending on the entity and circumstances involved. For gasoline distributors and special fuel suppliers claiming a refund related to their fuel tax returns 36 M.R.S. § 144 provides that “a taxpayer may request a credit or refund of any tax that is imposed by this Title ...within 3 years from the date the return was filed or 3 years from the date the tax was paid, whichever period expires later.”

There are specific refund provisions under the gasoline and special fuel statutes for motor fuels used off-highway or purchases by political subdivisions where the political subdivision paid the excise tax. The time limitation for off-highway refunds for gasoline and clear distillates is 18 months from the date of purchase (36 M.R.S. § 2908 for gasoline; 36 M.R.S. § 3218 for special fuels). The time limitation for political subdivision refunds for gasoline and clear distillates as well as aviation gasoline users is 12 months from the date of purchase (36 M.R.S. § 2910-B for gasoline; 36 M.R.S. § 2910 for aviation gasoline; and 36 M.R.S. § 3208-A for special fuel).

### **Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both amended returns and specific claim for refund forms are used to seek refunds of motor fuel tax in the State of Maine. Gasoline distributors and special fuel suppliers must amend the monthly return for the periods for which the refund is requested. Off-highway, political subdivision, and aviation gasoline refunds all require the filing of a specific refund form.

### **Section 41- Does your state accept electronic BOLs?**

Yes. Maine has required schedule information supporting the motor fuel excise tax returns to be sent electronically on a single-tab spreadsheet for the past years. A preformatted Excel spreadsheet is used to electronically file the data for each scheduled line on both the Gasoline Distributor and Special Fuel Supplier motor fuel returns. Electronic BOLs would generally be accepted for excise tax audit purposes also.

### **Section 42- Rail Car**

#### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Maine Revenue Services (MRS) would accept either date based on the specific detail of the import into Maine: If the reportable motor fuel being imported is sold Free on Board (FOB) origin, then the origin date would be acceptable. If the reportable motor fuel being imported is sold FOB destination, then the delivery date would be acceptable. MRS' position is that the

party with title to the motor fuel when the fuel enters in Maine has the first reporting responsibility for motor fuel excise tax.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

# STATE OF MARYLAND (Last Updated 2023)

## **Section 1-Contact Information**

**Agency:** Comptroller of Maryland

**Name:** Catherine O'Hare

**Street Address:**

**City, State Zip Code;**

**Phone Number:** (410)260-7076

**Fax Number:** (410)974-5564

**E-mail Address:** [www.marylandtaxes.gov](http://www.marylandtaxes.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:** Tax General Article Title 9 (Fuel Taxes) and Title 13 (Procedure); Business Regulation Title 10 (Motor Fuel and Lubricants)

## **Section 3-State Point of Taxation**

**Gasoline:** First import or First sale (TG 9-314)

**Diesel:** Distributor level (TG 9-314)

**Aviation Fuel:** Aviation Gasoline- First Import or First sale (TG-314)

**Jet Fuel:** Turbine Fuel- Distributor level (TG 9-314)

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: first sale or first import

Point of Taxation: (TG 9-314)

## **Section 5-State Tax Rates**

**Gasoline:** .4700/gallon (effective 7/1/23)

**Diesel:** .4775/gallon (effective 7/1/23)



Aviation Gasoline: .07/gallon

Jet Fuel: .07/gallon

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

There are no additional fees imposed/collected by the Comptroller. The Maryland Department of the Environment, Oil Control Program, administers the Oil Transfer/LUST fee. MDE can be reached at 410-537-3442.

**Section 7-Rate Updates**

**Please list any rate updates for your state:** New motor fuel tax rates effective July 1, 2023 included in earlier section. The Transportation Infrastructure Investment Act of 2013 indexes the motor fuel tax rates (except aviation fuel) to the annual change in the CPI.

**Section 8-State Collection Allowance**

See TG 9-315 for specific authorizations

**Section 9-State Diversion Requirements**

**Diversion Required** Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** COMAR 03.03.03.05

**What diversion registry program do you use?** Fueltrac.us (Trac3)

**What products are subject to the diversion requirement?** All taxable motor fuel

**Diversion Requirements** Driver must note Diversion Number on BOL prior to crossing jurisdictional border

**What party should apply for the refund if applicable? (Supplier, customer, etc)** Shipper (title holder of product after loading)

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?** Must be licensed to Import or Export and report accordingly. No refund would be needed.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

Lots of product coming from Virginia into Maryland and then getting diverted back to Virginia. Requires amended tax returns for any late loads. State advised it's the party that diverts the product that is responsible to file amended returns.

## **Section 10-Alternative Fuels Incentives and Laws**

Since different incentive programs are continually coming and going, it's best to just follow the general link to the [US DOE's Alternative Fuel Data Center laws and incentives search tool](#). This is kept updated year round and is the best resource for finding different incentives/initiatives related to all alternative fuels.

Below is a listing of the current incentives:

- [Alternative Fuel Vehicle \(AFV\) Grants](#) - MEA's Clean Fuels Incentive Program (CFIP) is not anticipated to continue in FY24. This program will likely be replaced by the mandated Medium- and Heavy-Duty Zero-Emission Vehicle Grant Program that came out of the recent legislative session. Official information about the new grant program will probably be available in the late summer.
- [Clean Energy Grants](#) - MEA's Maryland Smart Energy Communities (MSEC) incentive levels and eligible project types may change in FY24.
- [Electric Vehicle \(EV\) Charging Station Rebate Program](#) - Through June 30, 2023, rebates are for 40% of total costs with a residential cap of \$700 and commercial cap of \$4,000. The FY23 budget is \$1.8M, and the commercial cap per applicant is 10% (not 18%) of the program budget for the program year. The incentive level table on the AFDC webpage lists FY24 information, whereas the text above and below the table notes FY23 information. FY24 incentive levels will be slightly modified, and the FY24 budget will be different. A Funding Opportunity Announcement will be posted on our [EVSE Rebate Program](#) webpage on or around July 1 with finalized program details.
- [Medium- and Heavy-Duty \(MHD\) Zero Emission Vehicle \(ZEV\) Grant Authorization](#) - In the [Chapter version of HB550](#), it is stated that the MHD ZEV Grant Program will provide grants for up to 75% (not 20%) of the **incremental** cost of qualifying vehicles or heavy equipment property. Eligible vehicles are 10,000 (not 8,500) pounds gross vehicle weight or heavier.

Maryland is the proud home of the Maryland Clean Cities Coalition ([https://energy.maryland.gov/transportation/Pages/resources\\_cleancities.aspx](https://energy.maryland.gov/transportation/Pages/resources_cleancities.aspx)). Coordinator contact information is listed in the Points of Contact section.

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.4775/gallon	B100 is taxable	Subject to the Oil Spill Fee	\$0.4700/gallon	Ethanol is taxable	Subject to the Oil Spill Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. Currently, the tax rate is \$0.4775/gallon. Note that Maryland also refers to all biodiesel and biodiesel blends simply as diesel. It is possible to import tax-free provided LDC holds a special fuel tax exemption certificate and is licensed as a special fuel seller or user.	Ethanol is treated like gasoline. Dealer Class License required. The current rate is \$0.4700/gallon. The tax is due when the product is imported and there are no provisions for tax free sales to licensed distributors.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	yes	<b>1 cubic foot multiplied by .00831 = 1 gallon of liquid</b>
<b>E85</b>	yes	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	no	
<b>Gasoline Hybrid Vehicles</b>	yes	<b>Not Applicable</b>
<b>Hydrogen</b>	yes	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	yes	<b>100 cubic feet at 14.73 psi and 60 deg F = 1 gallon of liquid</b>
<b>LPG (Liquefied Petroleum Gas)</b>	yes	<b>Decitherms-divide by 9.1</b>  <b>Pounds-divide by 4.24</b>
<b>Methanol or “M85”</b>	yes	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No fee is collected by the Comptroller of Maryland

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
If the blendstock is not a motor fuel, no tax or reporting is required except in specific authorized gasoline additive introductions	.4700/gallon for gasoline and .4775/gallon for special fuel	yes

**Section 16-How does your state handle contaminated fuel?**

Contaminated product may not be imported, exported, or moved without written approval of the Comptroller. Credit for sludge removed also requires proper documentation. See COMAR 03.03.01.11 for further information.

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due date of Payment
Dealer	By delivery, on or before the last day of the next month; by mail postmarked at least 2 days before the last day of the next month	Paid with the return that covers the period in which the person received, sold, or used the motor fuel
Special Fuel Seller/User	Same as above	Same as above
Turbine Fuel Seller	Same as above	Same as above

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Explanation above in Section 17 (statutory reference is TG 9-308)

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11:59 PM the evening of the date it is due

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Both are due on the next business day following the original due date

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Dealer	\$25	Not exceeding 10% of the unpaid tax
Special Fuel Seller/User	Same as above	Same as above
Turbine Fuel Seller	Same as above	Same as above

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is an automotive fuel blend of gasoline and 51 to 83 percent volume ethanol, and is considered gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

A petroleum transporter that acts solely as a common carrier (never holds title to product) must file a monthly report. Also, a licensed dealer, seller, or distributor who also acts as a common or contract carrier must file a report on those movements.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Maryland primarily encounters these types of transactions with Colonial Pipeline (CPL) loads. CPL loads are more commonly brokered and can change ownership “flash title” multiple times prior to being placed into a Maryland terminal.

For example: A supplier sells gasoline to Company A at the Baltimore terminal. Before the fuel physically leaves the terminal, Company A sells the product to Company B. Once the fuel physical leaves the terminal, a flash title transfer occurs from Company A to Company B.

Maryland does allow Flash Title transactions and are ultimately concerned with the first importer of the product into Maryland and the final sale of the product to determine the tax consequences

of the transactions. Company B is the first importer of fuel into Maryland and is required to be licensed.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

The general rule is that if the motor fuel tax is not charged, then the sales tax applies, so sales tax is applicable on dyed diesel (unless exempted). The rate is established by the General Assembly, so the change frequency is unknown. Sales tax is imposed on the dollar value.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

An annual acceptable motor fuel tax security is generally required to secure payment of tax, interest, and penalty that may become due. The security amounts range from \$1,000 to \$1,000,000 depending upon the class of license(s) and product volume. Although a bond is the predominate form, cash and/or approved marketable securities can be accepted in lieu of a bond.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal

- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Class A Dealer	X	1, 2, 3, 5, 6 (with PT Reg), 8, 9
Class B Dealer	X	1, 2, 3, 4 (with MFI Reg), 5, 6 (with PT Reg)
Class C Dealer		2, 6 (with PT Reg)
Class D Dealer	X	1, 2, 3, 4 (with MFI Reg), 5, 6 (with PT Reg)
Class G Temporary		Federal Government, in-state only
Class W Distributor	X	3, 4 (with MFI Reg), 6 (with PT Reg)
Class F Turbine Fuel Seller	X	1, 2, 3, 4 (with MFI Reg), 5, 6 (with PT Reg)
Class S Special Fuel Seller	X	1, 2, 3, 4 (with MFI Reg), 5, 6 (with PT Reg)
Class U Special Fuel User	X	User only, no sales, 6 (with PT Reg)
Contact FEDs for IRS info		

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-Does you state require pre-collection election?**

N/A – Maryland is not a Tax at the Rack State

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

**Section 34-Does your state allow credit and rebills on the current month report?**

Credit and rebills are allowed in the State of Maryland. Credit and rebills to prior reported sales which effect a change in tax liability require an amended return to be filed. In addition, a Schedule 12 must also be used on taxpayer's current month's return to remitted or received

credit for changes in tax liability created from the rebills.

Credit and rebills occurring with the same month does not require a Schedule 12 filing or an amended return filing.

### **Section 35-How many days are allowed to report late loads?**

No statute exists for the number of days for late load reporting. Sales transactions are to be reported in the month in which they occur. Interest will be assessed on late sales reporting from the month in which the tax was due until the month in which the tax was received.

### **Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

BOL/Shipping Document – A notice stating “dyed diesel fuel, nontaxable use only” shall appear on bills of lading for dyed diesel fuel (BR 10-323.2). A loading ticket or manifest shall contain the name of the Petroleum Transporter, date and time loaded, volumetric gallons of each grade of product loaded, name of company operating the facility where loaded, name of shipper(title holder of product after loading), name and address of ultimate consignee, an indication if any deviation from original manifest or loading ticket, serial numbering sequence, and the certified octane rating (in the case of gasoline) (COMAR 03.03.03.05).

Invoice – must contain the shipper (name under which the Comptroller licenses the seller), consignee name, volume of each grade, and type of motor fuel loaded and delivered including the product cost and freight charges per gallon (COMAR 03.03.05.06). Invoices must also contain a statement of the amount of motor fuel tax charged; or if tax is not charged, that the “Maryland motor fuel tax is not included.”

Maryland has additional requirements for information that must appear on delivery tickets.

### **Section 37-What entities are exempt / excluded in your state?** **Please cite the statutory reference.**

Assuming this question is regarding only the exempt entities (not exempted use) where the motor fuel tax does not apply, Special Fuel is exempt when sold to agencies and instrumentalities of the United States Government. The motor fuel tax does not apply to state agencies when part of a Department of General Services supply contract, or a county board of education or school bus operator when the fuel is used exclusively for school buses engaged in school activities. Aviation Turbine Fuel is exempt when sold to carriers and operators as specified in TG 9-303(c)(1) and (2), the State of Maryland, local governments of Maryland, agencies and instrumentalities of the United States Government, or Foreign Governments. Reference COMAR 03.03.01.02.



**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

An action to recover motor fuel tax may not be brought after 4 years from the date on which the tax is due, except for when there is proof that the tax was not paid due to fraud, whereby there is no time limitation.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

A claim for refund of motor fuel tax may not be filed:

- (1) after 1 year from the date of purchase;
- (2) after October 1, if the claimant elects to file an annual claim for the 12-month period ending June 30; or
- (3) for a period of less than 1 year, after 3 months following the end of the period for which the claim is filed.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

A claim for refund shall be:

- (1) made, under oath, in the form that the tax collector requires; and
- (2) supported by the documents that the tax collector requires, including original invoices showing motor fuel purchases.

**Section 41- Does your state accept electronic BOLs?**

Electronic BOLs may be submitted for Audit and/or Refund requirements, but original documents may also be required upon request. In almost all cases, locations offering motor fuel for sale and conveyances transporting motor fuel must retain the original records for inspection.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Maryland accepts BOL date as the date the load was shipped from the origin to MD. In MD, we receive almost all straight ethanol via railcar from the Mid-West. Ethanol cannot be shipped via the Colonial Pipeline (CPL). There is a transload terminal in Baltimore where the ethanol is off loaded from the railcar to a tanker truck to its destination.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

# STATE OF MASSACHUSETTS

## **Section 1-Contact Information**

**Agency:** Massachusetts Department of Revenue

**Name:** Cynthia Burns, Miscellaneous Excise Audit

**Street Address:** 436 Dwight Street

**City, State Zip Code;** Springfield, MA 01103

**Phone Number:** 413 452-3904

**Fax Number:** 617 660-0644

**E-mail Address:** burnsc@dor.state.ma.us

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Gasoline and Av Gas: MGL, Ch. 64A  
<http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter64A>

Jet Fuel: MGL, Ch. 64J  
<http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter64J>

Spec Fuels: MGL, Ch. 64E  
<http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter64E>

IFTA : MGL, Ch. 64F  
<http://www.malegislature.gov/Laws/GeneralLaws/PartI/TitleIX/Chapter64F>

Regulations for Miscellaneous Excises:  
<http://www.mass.gov/dor/businesses/help-and-resources/legal-library/regulations/64a-64c-64e-64f-64g-64j-94e-270-misc-excises/>

### **Section 3-State Point of Taxation**

**Gasoline:** Wholesale: Licensed Distributors and Importers

**Diesel:** Wholesale: Licensed Suppliers

**Aviation Fuel:** Wholesale: Licensed Gasoline Distributors and Importers

**Jet Fuel:** Wholesale: Licensed Jet Fuel Suppliers

### **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

We do not use federal terminology. See above.

### **Section 5-State Tax Rates**

<http://www.mass.gov/dor/docs/dor/business/taxguide/fuels/fuelsratecurr.pdf>

**Gasoline:** 24 cents per gallon - fixed

**Diesel:** 24 cents per gallon - fixed

**Aviation Fuel:** set quarterly

**Jet Fuel:** set quarterly

**Propane and other liquefied gases** set quarterly

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

We primarily prefer by gross, however, if taxpayers report in a uniformed manner whereas the purchase and sales amounts are on the same basis. (i.e.: all reports are in gross/ or all net/ or all billed). Then we focus on the accountability of all gallons based on the manner in which they reported.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

## **Section 7-Rate Updates**

**Please list any rate updates for your state:** See Section 4.

Current fuel rates available on website:

<http://www.mass.gov/dor/docs/dor/business/taxguide/fuels/fuelsratecurr.pdf>

## **Section 8-State Collection Allowance**

None

## **Section 9-State Diversion Requirements**

**Diversion Required:** No. Our taxation is solely below the rack. All fuel dispensed from inventory must be characterized as taxable or non-taxable. If subsequent events change that characterization or in any other way affect the tax due, the licensee must file an amended return for the period in which the mischaracterized transaction occurred.

**If Diversion is required, please state Statute and/or Rule required obtaining a Diversion Number.**

Diversion is not required.

**What diversion registry program do you use?** N/A

**What products are subject to the diversion requirement?** N/A

**Diversion Requirements** N/A

**What party should apply for the refund if applicable? (Supplier, customer, etc)** N/A

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** N/A

**Any Additional Comments?**

No

## **Section 10-Alternative Fuels Incentives and Laws**

Massachusetts Clean Cities Coalition State Incentives

[www.mass.gov/doer/cleancit/cleancit.htm](http://www.mass.gov/doer/cleancit/cleancit.htm).

**State Incentives**

There are currently no known State incentives offered in Massachusetts

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.24/gallon	B100 is taxable	Subject to the Spill Fee if it has any petroleum component	\$0.24/gallon	Ethanol is taxable	Subject to the Spill Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$0.24/gallon. Sales to licensed suppliers are tax free.	Ethanol is not taxed until blended with gasoline. The rate is \$0.24/gallon. Sales between licensed distributors/exporters are permitted.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	As Propane at 24¢ per gallon	<b>4.23 lb. = 1 gal.</b>
<b>E85</b>		<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>		<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>	As Propane at 24¢ per gallon	<b>4.23 lb. = 1 gal.</b>
<b>LNG (Liquefied Natural Gas)</b>	As Propane at 24¢ per gallon	<b>4.23 lb. = 1 gal.</b>
<b>LPG (Liquefied Petroleum Gas)</b>	As Propane at 24¢ per gallon	<b>4.23 lb. = 1 gal.</b>
<b>Methanol or “M85”</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

### **Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
None		

**Section 16-How does your state handle contaminated fuel?**

Contaminated fuel should be reported as own non-taxable use in Form SFT-3-B, Schedule E. Nontaxable Gallons Sold or Used for Special Fuels and as "Line 14. Other non-taxable distribution" on GT-456, the Gasoline Tax Return.

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Yes

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11:59 PM on due date

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties

See M.G.L. c 62C

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated no differently from any other fuel taxed as gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

The first owner of the below the rack is taxed as licensed, whether or not they take possession of the fuel.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

A consumer of any fuel off the highways of the Commonwealth or in any manner exempt from the fuels excise is eligible for a refund of any fuels excise paid. The sale of that fuel is subject to

the 6.25% sales tax on the purchase price of the fuel,

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Suppliers must be bonded up to three times their average monthly tax with a minimum bond of \$10,000.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Distributor (Gasoline)	x	1-2-3-4-5-6-9
Importer( Gasoline)		1-4-5
Exporter ( Gasoline)	x	2-3-5
Supplier( Special Fuels)	x	1 through 6- 8
User-Seller		3-4-8

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Depends on licensing status and destination of sale



**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically, and paper returns are accepted, however, penalties are incurred by the taxpayer. The state requires the resubmission of the entire return including changes.  
Section 34-Does your state allow credit and rebills on the current month report?

Yes, must be justified with invoicing

**Section 35-How many days are allowed to report late loads?**

N/A

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

**Chapter 64A Section 3: Record of sales**

Section 3. Every distributor, unclassified importer and unclassified exporter shall keep a complete and accurate record of all sales of fuel, including the name and address of the purchaser, the place and date of delivery, the gross receipts and number of gallons for each type of fuel sold, and a complete and accurate record of the number of gallons imported, produced, refined, manufactured, compounded or exported and the date of importation, production, refining, manufacturing, compounding or exporting. Every distributor, unclassified importer and unclassified exporter shall also deliver with every consignment of fuel to a purchaser within the commonwealth a written statement containing the date of purchase, the names of the purchaser and seller, the number of gallons delivered, and shall retain a duplicate of each statement. Said records and said written statements shall be in such form as the commissioner shall prescribe and shall be preserved by said distributors, said unclassified importers, said unclassified exporters and said purchasers respectively, for a period of three years and shall be offered for inspection at any time upon oral or written demand by the commissioner or his duly authorized agents.

**Chapter 64E Section 3: Records and written statements**

Section 3. Each licensee shall keep a complete and accurate record of all purchases, sales and use of special fuels, including the name and address of the person accepting delivery of said special fuels to be used in a vehicle for the propulsion over the highways, its place and date of delivery, the gross sales price or cost and the number of gallons of each type of special fuels purchased, sold and used and the complete and accurate record of the number of gallons imported, produced, refined, manufactured or compounded and the date of the importation, production, refining, manufacturing or compounding.

Every licensee shall also present with every consignment of special fuels or delivery of the same to any person other than himself a written statement containing the date of the sale or use within the commonwealth, the date of delivery, the name of the person making the delivery and the name of the person receiving the same, the gross sales price and the number of gallons of each type of special fuel delivered and shall retain a duplicate of each such statement. In the case of use of special fuels by the licensee himself, he shall keep an accurate record of all the deliveries received by him and the names and addresses of the persons from whom he received the same, giving the dates of deliveries, the cost of each type of special fuels delivered and the number of gallons of each type involved in each delivery.

Such records and written statements shall be in such form as commissioner shall prescribe and shall be preserved by said licensees for a period of three years and shall be offered for inspection at any time upon oral or written demand by the commissioner or his duly authorized agent.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Federal entities and Massachusetts Transit Authorities – 64A (Gasoline)  
and 64 E( Special Fuels)

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Additional tax can be amended and remitted without limitations.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Two years from the date of filing

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

In most instances, taxpayers would file an amended return for gasoline excises, or if licensed as a supplier for special fuels.

If licensed as a user-seller for special fuels, they are required to file an SFT-9 refund form.

In some instances, taxpayers may be required to file a GT-9 refund form to recapture overpaid gasoline excise taxes.

**Section 41- Does your state accept electronic BOLs?**

Yes

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin**

**sales) or delivery date (delivered sales)?**

Delivery Date

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

See link provided:

[https://www.mass.gov/info-details/massachusetts-dor-tax-due-dates-and-extensions?\\_gl=1\\*\\_glc0sl\\*\\_ga\\*MjM1OTYwNzE1LjE2ODM1NTA0NjI.\\*\\_ga\\_MCLPEGW7WM\\*MTcyMjgwODkyNS4xMS4wLjE3MjI4MDg5MjUuMC4wLjA.#miscellaneous-excise:-including-alcohol,-cigarette-and-motor-fuels-](https://www.mass.gov/info-details/massachusetts-dor-tax-due-dates-and-extensions?_gl=1*_glc0sl*_ga*MjM1OTYwNzE1LjE2ODM1NTA0NjI.*_ga_MCLPEGW7WM*MTcyMjgwODkyNS4xMS4wLjE3MjI4MDg5MjUuMC4wLjA.#miscellaneous-excise:-including-alcohol,-cigarette-and-motor-fuels-)

# STATE OF MICHIGAN

## **Section 1-Contact Information**

**Agency:** Michigan Department of Treasury

**Name:** Omer Guzman, Manager, Motor Fuel Tax Unit - IFTA

**Street Address:** P.O. Box 30791

**City, State Zip Code:** Lansing, MI 48909-7974

**Phone Number:** 517-636-0711

**Fax Number:** 517-636-4593

**E-mail Address:** hortonc4@michigan.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Motor Fuel Tax Act Public  
Act 403 of 2000

## **Section 3-State Point of Taxation**

**Gasoline:** Rack **Diesel:**

Rack **Aviation Fuel:**

Rack **Jet Fuel:** Rack

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: Please see MCL 207.1002 through MCL 207.1008 Point

of Taxation: Please see MCL 207.1002 through MCL 207.1008

## **Section 5-State Tax Rates**

**Gasoline:** \$.30

**Diesel:** \$.30

**Alternative Fuel:** \$.30

**Aviation Fuel:** \$.03

**Jet Fuel:** \$.03

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Tax is calculated on gross gallons per MCL 207.1028.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

## **Section 7-Rate Updates**

Effective January 1, 2024, all motor fuel is taxed at the rate of \$.30 per gallon and alternative fuel is taxed at \$.30 per gallon or gallon equivalent.

## **Section 8-State Collection Allowance**

1.5% on Gasoline

## **Section 9-State Diversion Requirements**

**Diversion Required:** Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** MCL 207.1081 and MCL 207.1087

**What diversion registry program do you use?** Fuel Trac

**What products are subject to the diversion requirement?**

All taxable products

### **Diversion Requirements**

Diverted fuel removed from a terminal in Michigan for an intended destination outside Michigan as shown on the terminal-issued shipping papers to a destination within Michigan, the exporter shall obtain a fuel diversion number and pay to the department the tax imposed.

Diverted fuel removed from a destination outside Michigan to a destination inside Michigan after having removed the fuel from a terminal or a bulk plant outside Michigan, the importer shall obtain a fuel diversion number, notify, and pay to the department the tax imposed.

Diverted fuel removed from a destination outside Michigan for an intended destination inside Michigan as shown on the terminal or bulk plant issued shipping papers to a destination outside Michigan, the importer shall obtain a fuel diversion number, notify the department, and may apply for a refund of the tax imposed if paid to the department.

The shipper, importer, transporter, shipper's agent and any purchaser, not the supplier or terminal operator, shall be jointly liable for any tax otherwise due as the result of the diversion.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Customer would obtain refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? No.**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>Biodiesel blends</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.30/gallon	Is taxable	Subject to the Prepaid Sales tax and the Environmental Protection Fee	\$0.30/gallon	Ethanol is taxable	Subject to the Prepaid Sales tax and the Environmental Protection Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is not taxable until blended. Per MCL 207.1020, the blended product is taxable like all other biodiesel blends. The tax rate is \$0.30/gallon. The tax is due upon disbursement from terminal or upon import into Michigan and there is no exemption from the taxes for sales to licensed distributors.	Pure ethanol sold for blending with gasoline is included in the statutory definition of motor fuel and is taxed at a rate of \$0.30/gallon just like gasoline. The tax is due on import-the product does not need to be blended for the tax to apply-and there is no exemption from the taxes for sales to licensed distributors.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Yes	<b>5.66 pounds or 126.67 cubic feet at 60 degrees Fahrenheit and 1 atmosphere of pressure</b>
<b>E85</b>	Yes, Taxed as Gasoline	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Yes	<b>See MCL 257.801 for rates</b>
<b>Gasoline Hybrid Vehicles</b>	Yes, Taxed as Gasoline	<b>See MCL 257.801 for rates</b>
<b>Hydrogen</b>	Yes	<b>The volume or weight that is equal to 128,450 BTUs. There are 27,000 BTUs per 100 standard cubic feet, and 480.11 standard cubic feet per gallon equivalent.</b>
<b>LNG (Liquefied Natural Gas)</b>	Yes	<b>6.060 pounds.</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Yes	
<b>Methanol or “M85”</b>	Yes, Taxed as Gasoline	<b>Not Applicable</b>
<b>Other</b>	Evaluated on a case-by-case basis	<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
All blendstocks classified as diesel fuel under MCL 207.1002(q) and gasoline under MCL 207.1003(f)	\$ .30	Yes
Butane	*Only taxed once blended with gasoline at the \$.30 per gallon rate. Not taxable as a standalone product.	Is reportable regardless if taxed.

### **Section 16-How does your state handle contaminated fuel?**

A refund can be obtained for tax paid on motor fuel that meets the requirements under MCL 207.1040.

### **Section 17-Does your state allow bad debt credits?**

Yes, licensed suppliers can claim bad debt credits that qualify under MCL 207.1016.

### **Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Exporter Report	20 <sup>th</sup> of the month following the end of the reporting period. Exporter reports are filed quarterly.	N/A
Retail Marine Diesel Dealer Return	20 <sup>th</sup> of the month following the end of the reporting period. Retail Marine Diesel Dealer returns are filed quarterly.	20 <sup>th</sup> of the month following the end of the reporting period. Retail Marine Diesel Dealer payments must be paid quarterly.
Transporter Report	20 <sup>th</sup> of the month following the end of the reporting period. Transporter reports are filed quarterly.	N/A
Alternative Fuel Dealer Return	20 <sup>th</sup> of the month following the end of the reporting period. Alternative Fuel Dealer returns are filed monthly.	20 <sup>th</sup> of the month following the end of the reporting period. Alternative Fuel Dealer payments must be paid monthly.
Alternative Fuel Commercial User Return	20 <sup>th</sup> of the month following the end of the reporting period. Alternative Fuel Commercial User returns are filed monthly.	20 <sup>th</sup> of the month following the end of the reporting period. Alternative Fuel Commercial User payments must be paid monthly.
Tank Wagon Importer Return	20 <sup>th</sup> of the month following the end of the reporting period. Tank Wagon Importer returns are filed quarterly.	20 <sup>th</sup> of the month following the end of the reporting period. Tank Wagon Importer payments must be paid quarterly.
Bonded Importer Return	20 <sup>th</sup> of the month following the end of the reporting period. Bonded Importer returns are filed quarterly.	20 <sup>th</sup> of the month following the month the motor fuel was imported. Bonded Importer payments must be paid monthly.



Occasional Importer Return	20th of the month following the end of the reporting period Occasional Importer returns are filed quarterly.	Within 3 business days after the earlier of the following:  (a) The date that the motor fuel other than dyed diesel fuel was delivered into the state.  (b) The date that a valid import verification number required under sections 76 and 104 was assigned by the department.
Blender Return	20th of the month following the end of the reporting period. Blender returns are filed Monthly.	20 <sup>th</sup> of the month following the end of the reporting period. Blender payments must be paid monthly.
Permissive Supplier Return	20th of the month following the end of the reporting period. Permissive Supplier returns are filed monthly.	20 <sup>th</sup> of the month following the end of the reporting period. Permissive Supplier payments must be paid monthly.
Supplier Return	20th of the month following the end of the reporting period. Supplier returns are filed monthly.	20 <sup>th</sup> of the month following the end of the reporting period. Supplier payments must be paid monthly.
Carrier Report	20th of the month following the end of the reporting period. Carrier reports are filed monthly.	N/A
Terminal Operator Report	20th of the month following the end of the reporting period. Terminal Operator reports are filed monthly.	N/A
Terminal Operator Annual	February 25 of the year following the reporting year.	February 25 of the year following the reporting year.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Please see Section 16 above and MCL 207.1146 for timely filed information.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

The return must be Submitted on or before the 20<sup>th</sup> of the month the return or report is due.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The following business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Exporter Report	Possible license revocation.	N/A
Retail Marine Diesel Dealer Return	Possible license revocation.	Based upon amount of tax due.
Transporter Report	Possible license revocation.	N/A
Alternative Fuel Dealer Return	Possible license revocation.	Based upon amount of tax due.
Alternative Fuel Commercial User Return	Possible license revocation.	Based upon amount of tax due.
Tank Wagon Importer Return	Possible license revocation.	Based upon amount of tax due.
Bonded Importer Return	Possible license revocation.	Based upon amount of tax due.
Occasional Importer Return	Possible license revocation.	Based upon amount of tax due.
Blender Return	Possible license revocation.	Based upon amount of tax due.
Permissive Supplier Return	Possible license revocation.	Based upon amount of tax due.
Supplier Return	Possible license revocation.	Based upon amount of tax due.
Carrier Report	Possible license revocation.	N/A
Terminal Operator Report	Possible license revocation.	N/A

Terminal Operator Annual	Possible license revocation.	Based upon amount of tax due.
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**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Each fuel type must be reported under the actual product code such as 065 for gasoline or 160 for clear diesel fuel.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, all licensed Transporters are required to report their activity in this state.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

The fuel must be reported by the terminal operator as being disbursed to the licensed Supplier who held title to the fuel **before** being disbursed below the terminal rack. The flash title transaction is below the terminal rack and must be reported by the licensed Supplier as being sold to their customer on the appropriate schedule based upon what is being done with the fuel.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Yes, see MCL 207.1074(2).

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Sales tax is imposed on sales of all three fuels unless an appropriate exemption applies. The difference is in how and when the sales tax is collected.

For gasoline and clear diesel fuel, the sales tax is collected on a “prepaid” basis under which the tax is collected from importers of the gasoline and diesel fuel or at the time the gasoline and diesel fuel is removed from a refinery, terminal, or marine terminal, at the “rack.”

The cents/gallon rates for gasoline and diesel fuel are determined on monthly based on value (i.e., 6% of the statewide average retail price of a gallon of self-serve unleaded regular gasoline rounded up to the nearest 1/10 of 1 cent and 6% of the statewide average retail price of a gallon of undyed No. 2 ultra-low sulfur diesel fuel rounded up to the nearest 1/10 of 1 cent).

Because “dyed diesel fuel” does not constitute either “gasoline” or “diesel fuel” for purposes of the prepaid sales tax on fuel, sales tax on dyed diesel fuel is not collected on a “prepaid basis,” but is collected at the retail level at the rate of 6% of the retailer’s gross proceeds as with other sales on tangible personal property.

### **Section 29-What are your bonding requirements for your motor fuel license(s)?**

Bonding requirements are covered under MCL 207.1058.

### **Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.** **(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

#### **Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier	✓	1, 2, 3, 5, 6, 7, 8, 10
Permissive Supplier	✓	1
Blender	✓	8
Tank Wagon Importer	✓	1
Bonded Importer	✓	1
Occasional Importer	✓	1

Alternative Fuel Dealer	✓	4
Alternative Fuel Commercial User	✓	
Retail Marine Diesel Dealer	✓	4
Terminal Operator		7, 10
Exporter		2
Transporter		6
Carrier		6

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

See MCL 207.1030(1)(d)(i)(iii)

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

See MCL 207.1008

**Section 33-When amending returns does the state require the entire return to be amended or amend only the information that is changing?**

The entire return must be amended.

**How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically only and requires a resubmission of the entire return including changes.

**Section 34-Does your state allow credit and rebills on the current month report?**

No.

**Section 35-How many days are allowed to report late loads?**

There is no grace period allowed to report late loads.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

See MCL 207.1008 and MCL 207.1101

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

See MCL 207.1030

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

4 years

**Section 39-What is your statute of limitations to refund motor fuel tax?**

For taxpayers licensed under the Michigan Motor Fuel Tax Act it is 4 years. For Statutory refunds administered between MCL sections 207.1032 through 207.1048 it is 18 months.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Licenses may claim a refund or deduction on their monthly/quarterly return. Claimants who claim a refund per MCL sections 207.1032 and 207.1048 may claim their refunds electronically in MIMATS at the following link:

<https://mimats-eservices.treas.state.mi.us/tap/> /

**Section 41- Does your state accept electronic BOLs?**

See MCL 207.1101

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

BOL date is the date used for reporting the product.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

File formats and instructions are available at <https://www.michigan.gov/taxes/business-taxes/motor-fuel/new>

# STATE OF MINNESOTA

## **Section 1-Contact Information**

**Agency:** Minnesota Department of Revenue

**Name:** Jeremy Neeck, Revenue Tax Supervisor

**Street Address:** 600 N. Robert ST

**City, State Zip Code:** St. Paul, MN 55146

**Phone Number:** 651-556-4728

**Fax Number:** 651-556-3107

**E-mail Address:** jeremy.neeck@state.mn.us

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Minnesota Statute 296A: <https://www.revisor.mn.gov/statutes/?id=296a>

Minnesota Rules 8125: <https://www.revisor.mn.gov/rules/?id=8125>

## **Section 3-State Point of Taxation**

**Gasoline:** 1<sup>st</sup> Licensed Distributor after the rack.

**Diesel:** 1<sup>st</sup> Licensed Distributor after the rack.

**Aviation Fuel:** 1<sup>st</sup> Licensed Distributor after the rack.

### **Jet Fuel: 296A.08**

Special fuel tax.

Subdivision 1. Tax imposed.

(d) For other fuels, including jet fuel, propane, and compressed natural gas, the tax is imposed on the distributor, special fuel dealer, or bulk purchaser.

(e) Any person delivering special fuel on which the excise tax has not previously been paid, into the supply tank of an aircraft or a licensed motor vehicle shall report such delivery and shall pay, or collect and pay the excise tax on the special fuel so delivered to the commissioner.

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver:-296A.01 Subd. 44

Subd. 44. Received.

(a) Except as otherwise provided in this subdivision, petroleum products brought into this state shall be deemed to be "received" in this state at the time and place they are unloaded in this state. When so unloaded such products shall be deemed to be received in this state by the person who is the owner immediately after such unloading; provided, however, that if such owner is not licensed as a distributor in this state and if such products were shipped or delivered into this state by a person who is licensed as a distributor, then such products shall be deemed to be received in this state by the licensed distributor by whom the same were so shipped or delivered.

(b) Petroleum products produced, manufactured, or refined, at a refinery in this state and stored there, or brought into the state by boat or barge or like form of transportation and delivered at a marine terminal in this state and stored there, or brought into the state by pipeline and delivered at a pipeline terminal in this state and stored there, shall not be considered received until they are withdrawn from such refinery or terminal for sale or use in this state or for delivery or shipment to points within this state.

(c) When withdrawn such products shall be deemed received by the person who was the owner immediately prior to withdrawal; unless (1) such products are withdrawn for shipment or delivery to another licensed distributor, in which case the licensed distributor to whom such shipment or delivery is made shall be deemed to have received such products in this state, or (2) such products are withdrawn for shipment or delivery to a person not licensed as a distributor, under one or more sale or exchange agreements by or between persons one or more of whom is a licensed distributor, in which case the last purchaser or exchangee under such agreement or agreements, who is licensed as a distributor, shall be deemed to have received such products in this state.

(d) Petroleum products produced in this state in any manner other than as covered in this subdivision shall be considered received by the producer at the time and place produced.

Point of Taxation: 296A.07 Subd. 1

Subdivision 1. Tax imposed.

There is imposed an excise tax on gasoline, gasoline blended with ethanol, and agricultural alcohol gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state. The tax is imposed on the first licensed distributor who received the product in Minnesota. For purposes of this section, gasoline is defined in section 296A.01, subdivisions 10, 18, 20, 23, 24, 25, 32, and 34. The tax is payable at the time and in the form and manner prescribed by the commissioner. The tax is payable at the rates specified in subdivision 3, subject to the exceptions and reductions specified in section 296A.17.

and 296A.08 Subdivision 1. Tax imposed.

(a) There is imposed an excise tax on all special fuel at the rates specified in subdivision 2. For purposes of this section, "owner or operator" means the operation of licensed motor vehicles, whether loaded or empty, whether for compensation or not for compensation, and whether owned by or leased to the motor carrier who operates them or causes them to be operated.

(b) For undyed diesel fuel and undyed kerosene, the tax is imposed on the first licensed distributor who received the product in Minnesota.



- (c) For dyed fuel being used illegally in a licensed motor vehicle, the tax is imposed on the owner or operator of the motor vehicle.
- (d) For dyed fuel used in a motor vehicle but subject to a federal exemption, although no federal tax may be imposed, the owner or operator of the vehicle is liable for the state tax.
- (e) For other fuels, including jet fuel, propane, and compressed natural gas, the tax is imposed on the distributor, special fuel dealer, or bulk purchaser.
- (f) Any person delivering special fuel on which the excise tax has not previously been paid, into the supply tank of an aircraft or a licensed motor vehicle shall report such delivery and shall pay, or collect and pay the excise tax on the special fuel so delivered to the commissioner.

### **Section 5-State Tax Rates**

**Gasoline:** \$0.285 (\$0.25 tax plus \$0.035 surcharge) \* new rate goes into effect 1/1/2025

**Diesel:** \$0.285 (\$0.25 tax plus \$0.035 surcharge) \* new rate goes into effect 1/1/2025

**Aviation Fuel:** \$0.05

**Jet Fuel:** \$0.15

Minnesota has a Clean Up Fee that is \$0.02/gallon on all products that is fund based and when the fund falls below \$4,000,000, the fee is collected for a 4 month period to replenish the fund.

Please see our website for the most current tax rates and fees:

[www.revenue.state.mn.us/petroleum-tax-fuel-excise-tax-rates-and-fees](http://www.revenue.state.mn.us/petroleum-tax-fuel-excise-tax-rates-and-fees)

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

#### **Minnesota calculates tax based upon gross gallons.**

296A.15 states that gasoline must be reported on gross volume basis and all products other than gasoline must be reported as originally invoiced.

239.79 states specifically what products are supposed to be reported on gross gallon volume basis and all others can be reported as invoiced. Please see highlighted types of product below in 239.79 for verification.

Because 239.79 specifically states the types of products that have to be reported on a gross volume basis, their law would supersede 296A and taxpayers would have to report and follow the laws of 239.79 for reporting petroleum products to the Minnesota Department of Revenue.

#### **239.79 Petroleum products; transaction requirements.**

Subd. 4. Sale of certain petroleum products on gross volume basis.

A person responsible for the products listed in this subdivision shall transfer, ship, distribute, offer for distribution, sell, or offer to sell the products by volume. Volumetric measurement of the product must not be temperature compensated, or adjusted by any other factor. This subdivision

applies to gasoline, number one and number two diesel fuel oils, number one and number two heating fuel oils, kerosene, denatured ethanol, and biodiesel. This subdivision does not apply to the measurement of products transferred, sold, or traded between refineries, between refineries and terminals, or between terminals.

Subd. 5. Sale of biodiesel on net volume basis.

When biodiesel is transferred, sold, or traded between refineries, between refineries and terminals, or between terminals on a temperature-compensated basis, the director shall use the method outlined in Code of Federal Regulations, title 40, subpart M, Renewable Fuel Standard 80.1426 (f)(8)(ii)(A), for determining the net quantity of biodiesel transferred in cases of dispute.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

§239.101 Subd. 3. Petroleum inspection fee; appropriation, uses.

(a) An inspection fee is imposed (1) on petroleum products when received by the first licensed distributor, and (2) on petroleum products received and held for sale or use by any person when the petroleum products have not previously been received by a licensed distributor. The petroleum inspection fee is \$1 for every 1,000 gallons received. The commissioner of revenue shall collect the fee. The revenue from 89 cents of the fee is appropriated to the commissioner of commerce for the cost of operations of the Division of Weights and Measures and petroleum supply monitoring. The remainder of the fee must be deposited in the general fund.

§115C.08 Petroleum Tank Fund

Minnesota has a Clean Up Fee that is \$0.02/gallon on all products that is fund based and when the fund falls below \$4,000,000, the fee is collected for a 4 month period to replenish the fund.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

The 2023 legislature passed a law where our rates will change annually based upon the percentage of increase to the Minnesota Highway Construction Cost Index for the 12-month period 2 years prior ending on June 30<sup>th</sup>. The rate will be posted on August 1 each year with the rates effective January 1<sup>st</sup>. Beginning January 1<sup>st</sup> 2026, the rate increase will be capped at 3%.

The new rate for gasoline and diesel fuel starting 1/1/2025 will be \$0.318 cpg (\$0.283 tax rate plus \$0.035 surcharge)

### **Section 8-State Collection Allowance**

296A.15 Payment of tax.

Subdivision 1. Monthly gasoline report; shrinkage allowance.

(c) Each report must also include the amount of gasoline tax on gasoline received by the reporter during the preceding month. In computing the tax a deduction of 2.5 percent of the quantity of gasoline received by a distributor shall be made for evaporation and loss. At the time of reporting, the reporter shall submit satisfactory evidence that one-third of the 2.5 percent deduction has been credited or paid to dealers on quantities sold to them.

Subd. 3. Monthly special fuel report; shrinkage allowance.

(f) In computing the special fuel excise tax due, a deduction of one percent of the quantity of special fuel on which tax is due shall be made for evaporation and loss.

## **Section 9-State Diversion Requirements**

### **Diversion Required Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

8125.0300 Transport requirements.

Subp. 5. Diversions to be reported.

Any supplier or transporter of petroleum products who diverts a shipment to any other destination than that which is listed on the manifest shall notify the commissioner within a reasonable time, setting forth the manifest number (state tax number), date, kind of product, number of gallons, the consignee to whom the shipment has been diverted, and the final destination.

**What diversion registry program do you use? FuelTrac.us**

**What products are subject to the diversion requirement?**

All motor fuel products

### **Diversion Requirements**

Any supplier or transporter who diverts a shipment to any other destination than that which is listed on the manifest shall notify the Commission within a reasonable time, setting forth the manifest number, date, kind of product, number of gallons, the consignee to whom the shipment has been diverted and the final destination.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

The first licensed distributor that is listed as the consignee on the bill of lading.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? No**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**Any Additional Comments?**

We would prefer that the 1<sup>st</sup> license distributor report the load as a 2A/2C and then as a 7D/13A for loads that are diverted out of MN. All loads that are diverted into MN should be reported as 2A/2C to pay appropriate taxes for those loads.

## **Section 10-Alternative Fuels Incentives and Laws**

Minnesota is the proud home of the Twin Cities Clean Cities Coalition (<http://www.CleanAirChoice.org/outdoor/cleancities.asp>). Coordinator contact information is listed in the Points of Contact section.

### **State Incentives**

#### **Ethanol Infrastructure Grants**

Grants administered by the Minnesota E85 Team are available to service stations installing equipment or converting existing equipment for dispensing E85 fuel to flexible fuel vehicles. Cost eligibility and grant amounts vary according to grant sponsorship.

#### **Ethanol Production Incentive**

None currently

#### **Idle Reduction Technology Loan Program**

The Minnesota Pollution Control Agency's Small Business Environmental Improvement Loan Program provides low-interest loans to qualified small businesses to finance environmental projects such as capital equipment upgrades that meet or exceed environmental regulations, including idle reduction technologies.

#### **Alternative Fuel Tax**

An excise tax is imposed on the first licensed distributor who receives E85 fuel products in the state and on distributors, special fuel dealers, or bulk purchasers of other alternative fuels. E85 is taxed at a rate of \$0.2025 per gallon, liquefied petroleum gas is taxed at \$0.2235 per gallon, liquefied natural gas is taxed at \$0.171 per gallon, and compressed natural gas is taxed at the rate of \$1.974 per thousand cubic. (Reference Minnesota Statutes 296A.07 and 296A.08) Alternative fuels are subject to the Debt Service Surcharge. Please see our website for combined rates of tax and surcharge. These rates will change annually with our gasoline and special fuel tax increase.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.285/gallon Effective July 1, 2012  *new rate goes into effect 1/1/2025.	B100 is taxable	Subject to the Inspection Fee and Petroleum Clean-up Fee	\$0.285/gallon Effective July 1, 2012  *new rate goes into effect 1/1/2025	Ethanol is taxable	Subject to the Inspection Fee and Petroleum Clean-up Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is included in the definition of fuel and is taxed like diesel. The tax is payable upfront and there are no tax-free sales between licensed distributors/suppliers.	Ethanol is included in the statutory definition of fuel and is taxed like gasoline. The tax is payable upfront and there are no tax-free sales between licensed distributors/suppliers.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$1.974 per 1000 cf * also subject to debt service surcharge.	<b>126.67</b>
<b>E85</b>	\$0.2025	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	\$75 annual permit fee	<b>N/A</b>
<b>Gasoline Hybrid Vehicles</b>	N/A	<b>Not Applicable</b>
<b>Hydrogen</b>	N/A	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.171/gallon * also subject to debt service surcharge.	<b>1.65</b>
<b>LPG (Liquefied Petroleum Gas)</b>	\$0.2135/gallon * also subject to debt service surcharge.	<b>N/A</b>
<b>Methanol or “M85”</b>	N/A	<b>Not Applicable</b>
<b>Other</b>	N/A	<b>Not Applicable</b>

Above rates are subject to new tax law and will change effective 1/1/2025.

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

Minnesota has a PERC fee that is administered by the Minnesota Propane Council. Please visit their website for more information.

[Home - Minnesota Propane Association, MN \(discoverpropanemn.com\)](http://discoverpropanemn.com)

Minnesota also has a propane fee that is collected by the Department of Revenue on behalf of Department of Commerce - Weights and Measures Division. The fee is .001 per gallon collected on the form PF-1. It is collected under MN §239.785

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
Ethanol	.285	Yes
Biodiesel	.285	Yes
Any other blended product	.285	Yes

- Above rates are subject to new tax law and will change effective 1/1/2025.

**Section 16-How does your state handle contaminated fuel?**

If a taxpayer has contaminated product, they must send a letter or email to [petroleum.tax@state.mn.us](mailto:petroleum.tax@state.mn.us) reporting the following information: Date of contamination, products contaminated, total gallons contaminated, what was done with contaminated product and any other details that taxpayer feels is relevant to substantiate refund claim.

<http://www.revenue.state.mn.us/businesses/petroleum/Pages/Refund-For-Contamination-of-Fuel.aspx>

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Gasoline tax return	By 23 <sup>rd</sup> of following month	By 23 <sup>rd</sup> of following month
Special fuel tax return	By 23 <sup>rd</sup> of following month	By 23 <sup>rd</sup> of following month
Alternative fuel tax return	By 23 <sup>rd</sup> of following month	By 23 <sup>rd</sup> of following month
Propane fee	By 23 <sup>rd</sup> of following month	By 23 <sup>rd</sup> of following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Minnesota requires all petroleum tax returns to be electronically filed.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Returns must be filed by 11:59 pm on due date to be considered timely filed.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If a due date falls on a holiday or weekend, the due date would be the next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Gasoline tax return	n/a	1% per day up to 10%
Special fuel tax return	n/a	1% per day up to 10%
Alternative fuel tax return	n/a	1% per day up to 10%
Propane fee	n/a	1% per day up to 10%

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is subject to tax in Minnesota. It is taxed at a reduced rate.

296A.01 Subd. 19. E85.

"E85" means a petroleum product that is a blend of agriculturally derived denatured ethanol and gasoline or natural gasoline that contains not more than 85 percent ethanol by volume, but at a minimum must contain greater than 50 percent ethanol by volume. For the purposes of this chapter, the energy content of E85 will be considered to be 82,000 BTUs per gallon. E85 produced for use as a motor fuel in alternative fuel vehicles as defined in subdivision 5 must comply with ASTM specification D5798-11.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

Please see petroleum tax fact sheet 110 for complete details.

Who pays Minnesota petroleum taxes?

The first licensed distributor who receives petroleum products in Minnesota is the consignee and is responsible to pay state taxes due on the products.

Tax is imposed on the first licensed distributor when they receive title from a supplier. For tax purposes, a distributor “receives” petroleum products when the title passes to them from the supplier, even if that distributor never takes physical ownership. Petroleum products are not considered “received” until they are withdrawn from a refinery or terminal for sale or use in this state or for delivery or shipment to points within this state. Please see 296A.01 Subd. 44 for complete definition of “Received”.

Any later sale or title transfer must include Minnesota state excise tax on the sale.

[http://www.revenue.state.mn.us/businesses/petroleum/factsheets/pfs110\\_0915.pdf](http://www.revenue.state.mn.us/businesses/petroleum/factsheets/pfs110_0915.pdf)

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

There is nothing in our statute to prevent or allow this practice from happening. Many suppliers and marketers practice deferral of taxes in our state.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

There is nothing in our statute to prevent or allow this practice from happening. Many suppliers and marketers practice deferral of fees in our state.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Motor fuels and other petroleum products are subject to either petroleum tax or sales and use tax, but never both. Petroleum tax applies to fuel used in licensed motor vehicles. Fuels for off-highway use are subject to either sales tax or petroleum tax.

Please see sales tax fact sheet 116 for further details.

<http://www.revenue.state.mn.us/businesses/sut/factsheets/FS116.pdf>



**Section 29-What are your bonding requirements for your motor fuel license(s)?**

The bond requirement in our state has been repealed in the 2019 legislative session.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	X	1,2,3,4,5,7,8,9,10
Special Fuel Dealer	X	3,4,8

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, Minnesota only requires destination tax to be remitted.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require**

**the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

All petroleum tax returns in Minnesota must be filed electronically. When amending returns, a new entire return must be filed for the period being amended.

**Section 34-Does your state allow credit and rebills on the current month report?**

Minnesota does allow for credit and rebill (in and out) loads in current month report.

**Section 35-How many days are allowed to report late loads?**

Prior period adjustments are not allowed on Minnesota tax returns. If late loads need to be reported by your company, you must file an amended return to account for those loads. When amending a return, the amend return must be a new complete return of all transactions, not just the changes.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Minnesota Rule 8125.0200

Subp. 3. Manifests to be furnished.

A manifest or a bill of lading shall be issued for each withdrawal from a terminal in this state at the time of such withdrawal. Manifests or bills of lading shall show the following information: state tax number, date shipped, name of carrier, origin (point of loading), name of supplier, name and address of distributor who will report and pay the tax (consignee), destination, kind of product, and number of gallons. The state tax number may be the manifest or bill of lading number if designated as the state tax number. The required information contained in the manifest or bill of lading shall be filed with the commissioner either as a legible duplicate copy of each manifest or bill of lading, or in any other format approved by the commissioner. The commissioner will approve alternative formats provided they contain the required information and are presented in an organized and readable manner.

No petroleum product shall be loaded into a tank car, the cargo tank of a tank truck, or a truck transport at any terminal located outside the state for shipment to a Minnesota destination unless the distributor who will report and pay the tax (consignee) shall require that a manifest or bill of lading be issued showing the following information: state tax number, date shipped, name of carrier, origin (point of loading), name of supplier, name and address of consignee, destination, kind of product, and number of gallons. The state tax number may be the manifest or bill of lading number if designated as the state tax number. The required information contained in the manifest or bill of lading shall be filed with the commissioner either as a legible duplicate copy of each manifest or bill of lading, or in any other format

approved by the commissioner. The commissioner will approve alternative formats provided they contain the required information and are presented in an organized and readable manner.

8125.0400 Distributor

records. Subpart 1. Records to

be kept.

Licensed distributors shall keep a true and accurate record of all purchases, transfers, sales, and use of petroleum products. A record shall be kept showing the following information for each receipt of petroleum products: manifest number (state tax number), point of origin, from whom received, kind of product, gallons received, and date unloaded. A daily record shall be kept of the totals of all sales of each petroleum product.

Subp. 2. Sales invoices.

A sales invoice shall be made for each bulk sale of petroleum products at the time of the sale, regardless of gallonage. All sales invoices issued for bulk sales shall be machine-numbered serially with numbers of at least three digits, and shall show the following: name and address of distributor printed or rubber-stamped upon the invoice, date of sale, name and address of the purchaser, kind of product, price per gallon, number of gallons, and rate and amount of tax if any. The words "bulk sale," as used in this part, shall mean any sale of a petroleum product dispensed into a fixed or portable storage tank. When issued for the purpose of securing refunds or credits of the Minnesota gasoline tax, the invoices shall, in addition to the aforementioned requirements, be prepared at least in duplicate, and one copy shall be given to the purchaser.

When issued for other than bulk sales and for the purpose of securing refunds or credits of the Minnesota gasoline tax, the invoices or receipts shall show the names and locations of the seller and purchaser, date of purchase, number of gallons, total price, and type of equipment in which the fuel is to be consumed.

When issued for deliveries made into another state, invoices shall be issued in the same manner with a separate set of numbers.

### **Section 37-What entities are exempt / excluded in your state?**

#### **Please cite the statutory reference.**

Minnesota has exemptions of gasoline and special fuel taxes found in 296A.07 and 296A.08 as well as in our refund and credit statute of 296A.16.

#### **296A.07 Subd. 4.Exemptions.**

The provisions of subdivision 1 do not apply to gasoline or denatured ethanol purchased by:

(1) a transit system or transit provider receiving financial assistance or reimbursement under section [174.24](#), [256B.0625](#), [subdivision 17](#), or [473.384](#);

(2) providers of transportation to recipients of medical assistance home and community-based services waivers enrolled in day programs, including adult day care, family adult day care, day treatment and habilitation, prevocational services, and structured day services;

(3) an ambulance service licensed under chapter 144E;

(4) providers of medical or dental services by a federally qualified health center, as defined under title 19 of the Social Security Act, as amended by Section 4161 of the Omnibus Budget Reconciliation Act of 1990, with a motor vehicle used exclusively as a mobile medical unit;

(5) a licensed distributor to be delivered to a terminal for use in blending; or

(6) a dealer of aviation gasoline, but only to the extent that the gasoline is intended to be dispensed directly into the fuel tank of an aircraft.

### 296A.08 Subd. 3. **Exemptions.**

The provisions of subdivisions 1 and 2 do not apply to special fuel or alternative fuels purchased by:

(1) a transit system or transit provider receiving financial assistance or reimbursement under section [174.24](#), [256B.0625](#), [subdivision 17](#), or [473.384](#);

(2) providers of transportation to recipients of medical assistance home and community-based services waivers enrolled in day programs, including adult day care, family adult day care, day treatment and habilitation, prevocational services, and structured day services;

(3) an ambulance service licensed under chapter 144E;

(4) providers of medical or dental services by a federally qualified health center, as defined under title 19 of the Social Security Act, as amended by Section 4161 of the Omnibus Budget Reconciliation Act of 1990, with a motor vehicle used exclusively as a mobile medical unit; or

(5) a licensed distributor to be delivered to a terminal for use in blending.

### **296A.16 REFUND OR CREDIT.**

§

#### **Subdivision 1. Credit or refund of gasoline or special fuel tax paid.**

The commissioner shall allow the distributor credit or refund of the tax paid on gasoline and special fuel:

(1) exported or sold for export from the state, other than in the supply tank of a motor vehicle or of an aircraft;

(2) sold to the United States government to be used exclusively in performing its

governmental functions and activities or to any "cost plus a fixed fee" contractor employed by the United States government on any national defense project;

(3) if the fuel is placed in a tank used exclusively for residential heating;

(4) destroyed by accident while in the possession of the distributor;

(5) in error;

(6) in the case of gasoline only, sold for storage in an on-farm bulk storage tank, if the tax was not collected on the sale; and

(7) in such other cases as the commissioner may permit, consistent with the provisions of this chapter and other laws relating to the gasoline and special fuel excise taxes.

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

3.5 years from the date the return is filed.

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

One year from the date of purchase of the fuel used for an exempt purpose.

### **Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

In Minnesota, any refund for tax that is associated with a tax return or a schedule of the tax return must be filed by an amended return.

If the refund is for the use of the fuel for a non-taxable purpose, then the refund would be claimed on a PDR-1 Minnesota Motor Fuel Claim for Refund.

### **Section 41- Does your state accept electronic BOLs?**

Yes, Minnesota does allow for electronic BOL's. If there is a dispute found using the electronic BOL, the licensed distributor must provide the original BOL from the terminal to settle all disputes.

### **Section 42- Rail Car**

#### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

In Minnesota, we use BOL date (origin sales) when product is loaded into railcar destined for our state for loads to be reported on our monthly tax returns.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

No, all requests for our old paper returns must be requested in writing via email to [Jeremy.neeck@state.mn.us](mailto:Jeremy.neeck@state.mn.us)

# STATE OF MISSISSIPPI

## **Section 1-Contact Information**

**Agency:** Mississippi Department of Revenue

**Name:** Danielle Hughes

**Street Address:** 500 Clinton Center Drive

**City, State Zip Code:** Clinton, MS 39056

**Phone Number:** 601-923-7153

**Fax Number:** 601-923-7165

**E-mail Address:** danielle.hughes@dor.ms.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

**Gasoline:** Section 27-55-11 Mississippi Code of 1972

**Diesel:** Section 27-55-519 Mississippi Code of 1972

**Aviation Fuel:** 27-55-11 Mississippi Code of 1972

**Jet Fuel:** 27-55-519 Mississippi Code of 1972

## **Section 3-State Point of Taxation**

**Gasoline:** 1<sup>st</sup> Receiver

**Special Fuels:** Below the Rack

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: Into the terminal or into the state

Point of Taxation:

## **Section 5-State Tax Rates**

**Gasoline:** 18 cents per gallon

**Diesel:** clear 18 cents; Dyed 5.75 cents per gallon

**Aviation Fuel:** 6.4 cents per gallon

**Jet Fuel:** 5.25 cents per gallon

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Net gallons: see MS Code 27-55-11

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Environmental Protection Fee of \$0.004 is assessed on all gasoline and special fuel products sold to a retail dealer or user.

## **Section 7-Rate Updates**

Please list any rate updates for your state

## **Section 8-State Collection Allowance**

2% allowance on gasoline to cover evaporation, shrinkage and other normal losses

## **Section 9-State Diversion Requirements**

**Diversion Required:** No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?** Fuel Trac

**What products are subject to the diversion requirement?** Gasoline and/or Special Fuels

**Diversion Requirements:** BoL and Fuel Trac Report

**What party should apply for the refund if applicable? (Supplier, customer, etc)**  
Customer claiming refund.



**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**  
Yes.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

Acts like distributor state: 1<sup>st</sup> sale to distributor is exempt, exports exempt, carrier must report diversions.

### **Section 10-Alternative Fuels Incentives and Laws**

**State Incentives**

**Biofuels Production Incentive**

No state incentives funded.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.18/gallon	B100 is taxable when blended	Subject to the Environmental Protection Fee	\$0.18/gallon	Ethanol is taxable when blended	Subject to the Environmental Protection Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$0.18/gallon for clear and \$0.0575/gallons for dyed.	Ethanol is included in the statutory definition of fuel and is taxed like gasoline. The rate is \$0.18/gallon.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable Per Gasoline Gallon Equivalent</b>
<b>CNG (Compressed Natural Gas)</b>	18 cents	<b>5.66 lbs</b>
<b>E85</b>	18 cents	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	None	

<b>Gasoline Hybrid Vehicles</b>	18 cents on fuel only	<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	18 cents	<b>Per Diesel Gallon Equivalent 7/1/2015 6.06 lbs</b>
<b>Methanol or "M85"</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

27-59-11 one-fourth (1/4) cent per gallon privilege tax

75-57-119 one-tenth (1/10) cent per gallon assessment for propane education and research program

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Ethanol</b>	<b>18 cents per gallon</b>	<b>Upon blending</b>
<b>All blend stock</b>	<b>18 cents per gallon</b>	<b>Upon blending</b>

**Section 16-How does your state handle contaminated fuel?**

Mississippi Code allows for credit of contaminated fuel by allowing credit to the distributor of the contamination.

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
All Returns	20 <sup>th</sup> of each month or following business day	20 <sup>th</sup> of each month or following business day

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

All returns in petroleum are electronically filed. They must be filed by the end of business on the 20<sup>th</sup> of each month except for when weekend or holiday is on the 20<sup>th</sup>.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11.59 PM CST would be a timely return on the 20<sup>th</sup> or following business day.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day after the weekend, or weekend and holiday combined

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
All Taxes	10% Penalty	.10 % per Month

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, every carrier importing or distributing gasoline or special fuel products into the state by truck, rail, barge, ship or pipeline.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No, levied tax should be remitted on the monthly tax return in which the transaction occurred. Returns are due on the 20<sup>th</sup> following month end.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

The following tax types are required to have a bond.

- 1) Gasoline – bond between \$1,000 to \$250,000
- 2) Special Fuels – bond between \$1,000 to \$250,000
- 3) Lubricating Oil - bond between \$1,000 to \$250,000
- 4) Compressed Gas – bond between \$1,000 to \$25,000

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-When amending returns does the state require the entire return to be amended or amend only the information that is changing?**

If an XML file is being uploaded, the full gasoline & special fuel amended return will need to be uploaded. If the loads are manually amended then only the information that is being amended will need to be changed.

**How are amended returns filed in your State electronically, by paper, or both?**  
**When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically. The taxpayer can resubmit the entire return or just make changes to the existing return.

**Section 34-Does your state allow credit and rebills on the current month report?**

Not on the current month return. The period the activity occurred will need to be amended.

**Section 35-How many days are allowed to report late loads?**

Returns can be amended up to 3 year, but interest and penalty will be assessed on the additional tax liability.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Miss. Code Ann. § 27-55-53

Miss. Code Ann. § 27-55-559

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Miss. Code Ann. § 27-55-12

Miss. Code Ann. § 27-55-19

Miss. Code Ann. § 27-55-527

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

36 months from the original due date of the return

**Section 39-What is your statute of limitations to refund motor fuel tax?**

36 months from the original due date of the return

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Amended return or filing a fuel diversion claim

**Section 41- Does your state accept electronic BOLs?**

Mississippi law requires every person transporting motor fuel in Mississippi to have written evidence in his possession.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Mississippi uses the delivery date for taxation and reporting purposes.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes; <https://www.dor.ms.gov/business/petroleum-distributors-electronic-filing>

# STATE OF MISSOURI

## **Section 1-Contact Information**

**Agency:** Missouri Department of Revenue

**Name:** Casandra (CJ) Willis

**Street Address:** 301 W. High Street

**City, State Zip Code:** Jefferson City, MO 65105

**Phone Number:** 573-751-3804

**Fax Number:** 573-522-1720

**E-mail Address:** casandra.willis@dor.mo.gov or excise@dor.mo.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:** Fuel Tax: Chapter 142 RSMo.; Code of State Regulations-Title 12, Division 10, Chapters 6 and 7; Aviation Fuel: Chapter 155 RSMo.; Fuel Fees: Chapter 414 RSMo.(Agriculture Inspection); Chapter 319 RSMo.(Underground Storage)

## **Section 3-State Point of Taxation**

**Gasoline:** Terminal Rack or upon import **Diesel:**

Terminal Rack or upon import **Aviation Fuel:**

Terminal Rack or upon import

**Jet Fuel:** Terminal Rack or upon import – subject to fees only

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: N/A

Point of Taxation: Terminal Rack-Chapter 142.842, RSMo.



## **Section 5-State Tax Rates**

**Gasoline:** \$0.17 cents per gallon (through September 30, 2021)

\$0.195 cents per gallon (October 1, 2021 – June 30, 2022)

\$0.22 cents per gallon (July 1, 2022 – June 30, 2023)

\$0.245 cents per gallon (July 1, 2023 – June 30, 2024)

\$0.27 cents per gallon (July 1, 2024 – June 30, 2025)

\$0.295 cents per gallon (July 1, 2026 and thereafter)

**Diesel:** \$0.17 cents per gallon (through September 30, 2021)

\$0.195 cents per gallon (October 1, 2021 – June 30, 2022)

\$0.22 cents per gallon (July 1, 2022 – June 30, 2023)

\$0.245 cents per gallon (July 1, 2023 – June 30, 2024)

\$0.27 cents per gallon (July 1, 2024 – June 30, 2025)

\$0.295 cents per gallon (July 1, 2026 and thereafter)

**Aviation Fuel:** \$0.09 cents per gallon

**Jet Fuel:** No fuel tax

**In addition to the fuel tax, Missouri collects two fees on each type of fuel:**

Agriculture Inspection Fee:

- \$0.0007 per gallon (through March 31, 2024)
- \$0.0009 per gallon beginning April 1, 2024

Underground Storage Fee:

- \$0.0035 per gallon prior to January 1, 2023
- \$0.0040 per gallon beginning January 1, 2023

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Missouri tax is calculated on the suppliers' invoiced gallons under Section 142.809, RSMo.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Agriculture Inspection Fee: Section 414.082, RSMo.

- \$0.0007 per gallon (through March 31, 2024)
- \$0.0009 per gallon beginning April 1, 2024

Underground Storage Fee: Section 319.132, RSMo.

- \$0.0035 per gallon prior to January 1, 2023
- \$0.0040 per gallon beginning January 1, 2023

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

**CNG:** \$0.05 per GGE (January 1, 2016 through December 31, 2019)  
\$0.11 per GGE (January 1, 2020 through December 31, 2024)  
\$0.17 per GGE (January 1, 2025 and thereafter)

No agriculture inspection fee or transport load fee applies

**LNG:** \$0.05 per DGE (January 1, 2016 through December 31, 2019)  
\$0.11 per DGE (January 1, 2020 through December 31, 2024)  
\$0.17 per DGE (January 1, 2025 and thereafter)

No agriculture inspection fee or transport load fee applies

**Propane:** \$0.05 per gallon (August 28, 2017 through December 31, 2019)  
\$0.11 per gallon (January 1, 2020 through December 31, 2024)  
\$0.17 per gallon (January 1, 2025 and thereafter)

No agriculture inspection fee or transport load fee applies

## **Section 8-State Collection Allowance**

Three percent for gasoline, gasoline blends, gasoline blend stocks, CNG and Propane  
Two percent for diesel, diesel blends, diesel blend stocks and LNG

## **Section 9-State Diversion Requirements**

**Diversion Required Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** Section 142.917, RSMo.

1. The director shall promulgate rules and regulations for relief in a case where a shipment of motor fuel is legitimately diverted from the represented destination state after the shipping paper has been issued by the terminal operator or where the terminal operator failed to cause proper information to be printed on the shipping paper.

2. The relief rules and regulations shall include a provision requiring that the shipper, the transporter, or an agent of either provide notification before the diversion or correction to the director if an intended diversion or correction is to occur, that a verification number be assigned and manually added to the face of the terminal-issued shipping paper, and the relief provision shall be consistent with the refund provisions of this chapter, including section 142.845.

3. The relief provisions shall establish a protest procedure so that any person found to be in violation of section 142.911 and subsection 3 of section 142.914 may establish a defense to any civil penalty imposed under this chapter for violation of such section or sections upon

establishing substantial evidence satisfactory to the director that the violation was the result of an honest error made in the context of a good faith and reasonable effort to properly account for and report fuel shipments *and taxes*.

**What diversion registry program do you use?**

TRAC III SYSTEMS, LLC

**What products are subject to the diversion requirement?**

All reportable products

**Diversion Requirements**

Diverted product by a licensed distributor from a destination in this state to a destination outside this state shall apply for a refund. The distributor by mutual agreement with the supplier, assign the claim to the supplier and they may take credit for the diversion. A verification number must be obtained from the director and added to the fact of the shipping document. The shipper, importer, transporter, shipper's agent and any purchaser, not the supplier or terminal operator, shall be jointly liable for any tax otherwise due as the result of the diversion. In the event a distributor diverts motor fuel removed from a terminal in this state from an intended destination outside this state as shown on the terminal-issued shipping papers to a destination within this state, the distributor shall notify and pay the tax to the state. Each supplier who pre-collects the tax pursuant to this chapter shall not be subject to any civil penalties or interest imposed. However, the supplier and distributor may, by mutual agreement, permit the supplier to assume the liability and pay the taxes.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

The supplier or distributor claims the refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

No, but may by mutual agreement.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

Yes

**Any Additional Comments?**

N/A

**Section 10-Alternative Fuels Incentives and Laws**

Missouri is the home of the St. Louis Regional <http://stlcleancities.org>) and the Kansas City Regional (<https://cleancities.energy.gov/coalitions/kansas-city>) Clean Cities Coalitions.

**State Incentives**

### **Ethanol Production Incentive**

For information regarding ethanol production incentives, contact the Department of Agriculture, Amanda Kelley, (573) 426-4892, or [Amanda.Kelley@mda.mo.gov](mailto:Amanda.Kelley@mda.mo.gov).

### **Biodiesel Production Incentive**

For information regarding biodiesel production incentives, contact the Missouri Department of Agriculture, Amanda Kelley, (573) 426-4892, or [Amanda.Kelley@mda.mo.gov](mailto:Amanda.Kelley@mda.mo.gov).

### **Fleet Biodiesel Fuel Use Incentive**

The Biodiesel Fuel Revolving Fund uses the money generated by the sale of Energy Policy Act (EP Act) credits to cover the incremental cost of purchasing fuel containing B20 or higher biodiesel blends for use by state fleet vehicles. (Reference Missouri Revised Statutes 414.407)

### **Alternative Fuel Tax**

The per gallon motor fuel tax does not apply to passenger motor vehicles, certain buses, or commercial motor vehicles that are powered by an alternative fuel. Instead, the owners or operators of such vehicles are required to pay an annual alternative fuel decal fee. Effective January 1, 2022, the fees increased twenty percent per year for a period of five years. The fees in the chart below are effective January 1, 2024 to December 31, 2024. (certain restrictions apply) The fee for motor vehicles with a licensed gross weight in excess of 36,000 lbs. increased ten percent beginning January 1, 2022, and will increase an additional 10 percent per year in each of the next four years.

<b>Gross Vehicle Weight</b>	<b>Type of Vehicle</b>	<b>Decal Fee</b>
18,000 pounds (lbs.) or less	Passenger, School Bus, Commercial	\$126
18,001 lbs.-36,000 lbs.	Farm or Farming Transportation with an 'F' License Plate	\$166
18,001 lbs.-36,000 lbs.	Passenger-Carrying and Other Motor Vehicles	\$246
36,001 lbs. or more	Farm or Farming Transportation with an 'F' License Plate	\$331
36,001 lbs. or more	All Other Motor Vehicles	\$1,306

It is unlawful for any person to operate a motor vehicle required to have an alternative fuel decal upon the highways of this state without a valid decal. No person may fuel alternative fuel vehicles with liquefied petroleum gas (LPG) or natural gas unless the vehicle has a valid decal. Motor vehicles licensed as historic which are powered by alternative fuel are exempt from the fuel tax and the alternative fuel decal requirement. Effective January 1, 2016 CNG is taxed at a GGE and LNG is taxed at a DGE. Owners of vehicles powered by CNG or LNG that have installed a CNG or LNG fueling station used solely to fuel their own vehicles may continue to apply for and use alternative fuel decals in lieu of paying the tax. Refer to Missouri Revised Statutes 142.803, 142.869 and 301.131.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.22/gallon	B100, B99.9 and B99 are not taxable until blended	Subject to the Inspection Fee and Transport Load Fee when blended	\$0.22/gallon	Not taxable until blended	Subject to the Inspection Fee and Transport Load Fee when blended

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
n/a (See above) - But note that it is requested that company obtains a license and files returns for tracking purposes.	n/a (see above) - But note that a license is required for tracking.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.05/GGE (1/1/16 through 12/31/19) \$0.11/GGE (1/1/20 through 12/31/24) \$0.17 /GGE (1/1/25 thereafter) (See Section 8 Alternative Fuel)	<b>5.66 pounds = 1 GGE (effective 1/1/2016)</b>
<b>E85</b>	\$0.22/gallon	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Considered an alternative fuel (See Section 8 Alternative Fuel)	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	Taxed only on motor fuel purchased	<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>

<b>LNG (Liquefied Natural Gas)</b>	\$0.05/ DGE (1/1/16 through 12/31/19) \$0.11/DGE (1/1/20 through 12/31/24) \$0.17 /DGE (1/1/25 thereafter) (See Section 8 Alternative Fuel)	<b>6.06 pounds = 1 DGE (effective 1/1/2016)</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Considered an alternative fuel (See Section 8 Alternative Fuel)	
<b>Methanol or “M85”</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

N/A

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
See comment below		

Any product that is blended with either gasoline or undyed diesel for use in a licensed motor vehicle is taxable at the same rate as the gasoline and diesel.

**Section 16-How does your state handle contaminated fuel?**

The owner of any Missouri tax-paid motor fuel which was lost or destroyed as a direct result of a sudden and unexpected casualty or which had been accidentally contaminated so as to be unsaleable as highway fuel may file for a refund of the motor fuel tax. The refund shall be made to the person or entity owning the motor fuel at the time of the contamination or loss. Such person shall notify the director in writing of such event and the amount of motor fuel lost or contaminated within ten days from the date of discovery of such loss or contamination, and within thirty days after such notice, shall file an affidavit sworn to by the person having immediate custody of such motor fuel at the time of the loss or contamination, setting forth in full the circumstances and the amount of the loss or contamination.

### **Section 17-Does your state allow bad debt credits?**

Suppliers and Permissive Suppliers shall be entitled to a credit against the tax payable in the amount of tax paid by the supplier that was accrued and remitted to a state, but not received from an eligible purchaser. Notice must be provided to the director of a failure to collect the tax within ten business days following the earliest date on which the supplier was entitled to collect the tax from the eligible purchaser. The credit shall be claimed on the first return following the expiration of the ten-day period if the payment remains unpaid as of the filing date of that return or the credit shall be disallowed.

### **Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Supplier/Permissive Supplier	The second day of each month for gallons removed during the second preceding month	The second day of each month for gallons removed during the second preceding month
Distributor	Last day of each month for purchases made in preceding month.	Last day of each month for purchases made in preceding month (This applies to payments made to suppliers by eligible purchasers and for any amount made directly to the state)
Transporter	Last day of each month for deliveries made in preceding month.	N/A
Terminal Operator	Last day of each month for all transactions made in preceding month.	N/A

### **Section 19-Does your state consider postmarked or received by due date as timely filed?**

Reports and payments which are transmitted through the United States mail shall be deemed filed and received on the date shown by the post office cancellation or if by certified mail the day shown on the certificate shall be deemed the postmarked.

### **Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

Return must be transmitted by 11:59:59 pm on the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If the due date of a return or payment falls on a weekend or holiday, the return would be due the next succeeding business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
All reports – Failure to file	\$100 for the first offense and increasing by that amount for each additional occurrence	
Supplier/Permissive Supplier		Loss of allowance, 5% per month for each month or part of a month for which the amount remains unpaid up to a maximum of 25% and interest (penalty applies even if the payment is timely but the report is late)
Distributor		Loss of allowance, 5% per month for each month or part of a month for which the amount remains unpaid up to a maximum of 25% and interest (penalty applies even if the payment is timely but the report is late)

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated in the same manner as gasoline or gasohol. There are no special reporting requirements.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, any person importing or exporting fuel in Missouri regardless of whether the person is engaged in interstate commerce or for hire in intrastate commerce.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Missouri considers the distributor of record as maintained on the bill of lading as to the



appropriate distributor to be invoiced for the motor fuel tax.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?**  
**Please provide the Statute that supports that deferral.**

Yes, two business days prior to the date on which the tax is required to be remitted by the supplier, Chapter 142.848, RSMo.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Yes, two business days prior to the date on which the tax is required to be remitted by the supplier, Chapter 142.848, RSMo.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Yes, sales tax is charged on the value of dyed diesel. The state sales tax rate is 4.225% of the value of the fuel. This rate has not changed since 1989.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Licensees are required to post a bond of not less than three months' potential tax liability based on the number of gallons handled.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal

- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Supplier and Distributor licensees remit motor fuel taxes. Transporter and Terminal licensees do not remit taxes.

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1,2,5,8,10
Permissive Supplier	X	1,2,5,8,10
Distributor	X	1,2,8
Transporter		1,2,6
Terminal Operator		7

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Yes, the seller is required to collect both origin and destination state taxes upon sale to an entity not licensed in Missouri, Section 142.809, RSMo.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Yes.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Missouri doesn't typically receive amended returns as an amended return is only filed when all information originally reported is incorrect. When we do receive an amended return, the return can be filed both electronically and by paper. An amended return will replace all information that was first reported.

Missouri typically receives "additional" returns. These are filed when adding or subtracting loads on a return. These types of returns can be filed both electronically and by paper and do not require resubmission of the entire return.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes.

**Section 35-How many days are allowed to report late loads?**

N/A

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Chapter 142.911, RSMo: - BOL/Shipping documents

1. Identification by city and state of the terminal, refinery or bulk plant from which the motor fuel was removed;
2. The date the motor fuel was removed;
3. The amount of motor fuel removed, gross gallons and net gallons;
4. The state of destination as represented to the terminal operator by the transporter, the shipper or the agent of the shipper;
5. Any other information required by the director for the enforcement of this chapter;
6. The supplier, consignee and carrier of the motor fuel.

Chapter 142.842, RSMo - Invoices

1. The supplier and each reseller shall list the amount of tax as a separate line item on all invoices or billings.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Chapter 142.815 – Non-highway use  
Chapter 142.817 – Public mass transportation  
Chapter 142.818 – Federal government  
Chapter 142.822 – Highway use rate increase (SB262)

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Chapter 142.944 – Additional tax shall be assessed on the licensee within three years after the alleged erroneous report was filed.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Chapter 142.815 – The claim shall be filed not more than three years after the date the motor fuel was imported, removed or sold if the claimant is a licensee.

Chapter 142.822 – The claim for highway use must be filed annually between July 1 and September 30 for fuel purchased during the previous fiscal year.

Chapter 142.824 – The claim for non-highway use must be filed within one year of the date of purchase or April fifteenth following the year of purchase, whichever is later, if the claimant is the ultimate consumer.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

A licensee refund can be issued from the licensee's monthly motor fuel tax return or from a specific claim refund form dependent on fuel usage.

An ultimate consumer refund for both highway use and non-highway use is filed using a specific claim refund form(s).

**Section 41- Does your state accept electronic BOLs?**

Yes, so long as BOL includes all information referenced in Chapter 142.911, RSMo.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Missouri uses the BOL date.

Both depending on what type of credit is being claimed.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Forms are available on the Department's [website](#). Information regarding Missouri's electronic filing options can be found [here](#).

# STATE OF MONTANA

## **Section 1-Contact Information**

**Agency:** Montana Department of Transportation

**Name:** Kendra Smith or Vanessa Olson

**Street Address:** 2701 Prospect Ave

**City, State Zip Code:** Helena, MT 59620

**Phone Number:** 406-444-0806 or 406 444-7276

**Fax Number:** 406-444-5411

**E-mail Address:** mdtfueltax@mt.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Montana Code Annotated (MCA) Title 15; Chapter 70, Parts 1, 4, 5, and 7. Administrative Rules of Montana (ARM) Title 18, Chapter 15 – Motor Fuel Taxes

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Distributor

**Jet Fuel:** Distributor

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver:-

Point of Taxation: Distributor Level. Montana Codes Annotated ([MCA](#) [15-70-403](#)).

“Distributor” is defined in MCA [15-70-401\(8\)](#). “Distributed” is defined in MCA [15-70-401\(7\)](#)

(a) and (b).

## **Section 5-State Tax Rates**

Effective 7/1/22

<b>Gasoline:</b>	\$0.33
<b>Diesel:</b>	\$0.2975
<b>Aviation Fuel:</b>	\$0.05
<b>Jet Fuel:</b>	\$0.05

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Gross Gallons. Administrative Rules of Montana. [ARM 18.15.203](#)

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

<b>Gasoline:</b>	\$0.0075
<b>Diesel:</b>	\$0.0075
<b>Aviation Fuel:</b>	\$0.0075
<b>Jet Fuel:</b>	\$0.0075

Montana Codes Annotated [75-11-314](#).

## **Section 7-Rate Updates**

Please list any rate updates for your state:

See Section 5. Rates last increased on July 1, 2022.

## **Section 8-State Collection Allowance**

A 1% collection allowance applies to gasoline and special fuels. There is no collection allowance on aviation or jet fuel.

## **Section 9-State Diversion Requirements**

Diversion Required No

If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.

What diversion registry program do you use?

**What products are subject to the diversion**

**requirement? Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

The distributor. An exemption or credit is allowed for exported fuel if the distributor is licensed and paying the tax to the state the fuel is destined for.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

No

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives**

#### **Renewable Energy Property Tax Incentive**

Property tax rate abatements of up to 3% are available for new investments in facilities that manufacture, research, or develop products related to biodiesel, biomass, biogas, coal-to-liquid fuels, ethanol, pipelines carrying "clean" products, renewable energy manufacturing plants, and research and development equipment for renewable energy. These incentives last for 15 years after facility start-up, with up to four additional years for construction.

(Reference [House Bill 3](#), 2007 Special Session and Reference [MCA 15-6-157](#) Reference [Senate Bill 510](#) and Reference MCA 15-24-1402)

#### **Ethanol Production Incentive**

Montana based ethanol producers are entitled to a tax incentive of \$0.20 per gallon of ethanol solely produced from Montana agricultural products, or if the ethanol was produced from non-Montana agricultural products when Montana products were unavailable. The amount of the tax incentive for each gallon is reduced proportionately, based upon the amount of agricultural or wood products not produced in Montana that are used in the production of the ethanol. The tax incentive is available to a facility for the first six years from the date that production begins.

Ethanol eligible for the incentive must be blended with gasoline for sale as ethanol-blended gasoline in Montana, exported from Montana for sale as ethanol-blended gasoline, or used in the production of ethyl tertiary butyl ether for use in reformulated gasoline. An ethanol distributor is not eligible to receive the tax incentive unless at least 20% of Montana product is used to produce ethanol at the facility in the first year of production, 25% of Montana product is used the second year, and the amount of Montana product used each year thereafter must increase by 10% annually. Each ethanol distributor may not receive the tax incentive payments exceeding \$2 million in any consecutive 12-month period. Total payments may not exceed \$6 million in any consecutive 12-month period. (Reference [MCA](#)



15-70-522)

### **Biodiesel Tax Credit**

A tax credit is available to businesses and individuals for up to 15% of the cost of storage and blending equipment used for blending biodiesel with petroleum diesel for sale. The amount of the credit may not exceed \$52,500 for a special fuel distributor and \$7,500 for an owner or operator of a motor fuel outlet. The credit can be claimed in the two tax years before the year in which the taxpayer begins blending biodiesel for fuel or sale. (Reference [House Bill 166](#), 2007, and [MCA 15-32-703](#))

A licensed distributor who pays the special fuel tax on biodiesel may claim a refund equal to \$0.02 per gallon of biodiesel sold during the previous quarter if the biodiesel is created entirely from biodiesel components produced in Montana. The owner or operator of a retail motor fuel outlet may claim a refund equal to \$0.01 per gallon of biodiesel purchased from a licensed distributor if the biodiesel is created entirely from biodiesel components produced in Montana. (Reference [MCA 15-70-433](#))

### **Biodiesel Production Facility Tax Credit**

A tax credit is available to businesses and individuals for up to 15% of the cost of constructing and equipping a facility to be used for biodiesel or bio-lubricant production. The credit must be claimed in the tax year in which the facility begins production, and the facility must be in operation before January 1, 2015. Additionally, a tax credit is available for property used primarily to crush oilseed crops for purposes of biodiesel production. (Reference [House Bill 166](#), 2007, and [MCA 15-32-701](#) and [15-32-702](#))

### **Biodiesel Tax Exemption**

Biodiesel produced from waste vegetable oil feedstock is exempt from the special fuel tax when 2500 gallons or less is produced annually and used exclusively for personal use by a special biodiesel fuel producer. (Reference [MCA 15-70-401](#) and [15-70-405](#))

### **Alternative Fuel Vehicle Conversion Tax Credit**

\*[MCA 15-30-2320](#) is repealed effective 1/1/2022. (Reference Senate Bill 399, 2021).\*

An income tax credit is available to businesses or individuals for up to 50% of the equipment and labor costs for converting vehicles to operate on alternative fuels. The maximum credit is \$500 for the conversion of vehicles of 10,000 pounds (lbs.) or less Gross Vehicle Weight Rating (GVWR) and \$1,000 for vehicles over 10,000 lbs. GVWR. The credit must be applied in the year the conversion is made, and the seller of an alternative fuel may not receive a credit for converting their own vehicles to operate on the alternative fuel they sell. (Reference [MCA 15-30-2320](#)).

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.2975/gallon	B100 is taxable	Subject to the Clean-up Fee	\$0.33/gallon	Ethanol is taxable	Subject to the Clean-up Fee

**Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is taxed as diesel fuel. The tax rate is \$0.2975/gallon. Sales to licensed distributors are tax free.	Ethanol is included in the statutory definition of gasoline fuel and taxed as gasoline. The tax rate is \$0.33/gallon. Sales to licensed distributors are tax free.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG),**

**Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.07 per cubic foot	<b>a) The total tax due on compressed natural gas is computed according to the formula provided in subsection (2)(b). (b) <math>T = (R/V) \times TV</math>, where: (i) T is the total tax due; (ii) R is 7 cents; (iii) V is 120 cubic feet of compressed natural gas at 14.73 pounds per square inch absolute base pressure; and (iv) TV is the total volume of compressed natural gas placed into the supply tank of a motor vehicle.</b>
<b>E85</b>	\$0.33 gallon	<b>Not Applicable</b>

<b>Electric Vehicles/Electricity</b>	<p>\$0.03/kWh on public charging stations.</p> <p>Annual registration fees for electric vehicles are as follows:  \$130 for class 1 vehicles;  \$190 for class 2 vehicles;  \$340 for class 3 vehicles;  \$1,100 for class 4 vehicles.</p>	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	<p>\$0.33/gallon</p> <p>Annual registration fees for plug-in hybrid electric vehicles are as follows:  \$70 for class 1 vehicles;  \$100 for class 2 vehicles;  \$210 for class 3 vehicles;  \$700 for class 4 vehicles.</p>	<b>Not Applicable</b>
<b>Hydrogen</b>	\$0.33/kg	<p><b>T = KG x R, where:</b></p> <p>(i) T is the total tax due;</p> <p>(ii) KG is the total kilograms of hydrogen placed in the supply tank of a motor vehicle;</p> <p>(iii) R is the gasoline tax rate provided for in 15-70-403.</p>
<b>LNG (Liquefied Natural Gas)</b>	\$0.33/gge	<b>1 lb = 0.19 GGE</b>
<b>LPG (Liquefied Petroleum Gas)</b>	\$0.0518/ gallon	<p><b>T = (C/G) x TG, where:</b></p> <p>(i) T is the total tax due;</p> <p>(ii) C is 5.18 cents;</p> <p>(iii) G is 1 gallon of liquefied petroleum gas; and</p>
<b>Methanol or “M85”</b>	\$0.33/gge	<b>1 gallon = 0.50 GGE</b>
<b>Other</b>	\$0.33/gge	<b>GGE calculated based on the current fuel properties comparison chart published by the U.S. Department of Energy.</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable

**Blendstocks of any kind are taxed when blended with gasoline or special fuel.**

**Section 16-How does your state handle contaminated fuel?**

**Montana Administrative Rule [18.15.409](#) LOST OR DESTROYED GASOLINE, SPECIAL FUEL, OR AVIATION FUEL**

(1) The department of transportation reserves the right to demand from a person claiming a refund under the provisions of [15-70-425](#) through [15-70-434](#), MCA, that positive proof be submitted of the exact amount of the loss and facts indicating the gasoline, special fuel, of aviation fuel was never used on the highway or in the air. In offering this proof, the following procedures must be strictly adhered to by the person claiming the refund:

(a) The claim for refund must accompany the original invoice covering the purchase of gasoline, special fuel, or aviation fuel.

(b) A notarized statement citing the circumstances covering the loss and how the amount of gasoline, special fuel, or aviation fuel lost was determined.

(c) Substantiating records must be available to reveal and account for the amount of gasoline, special fuel, or aviation fuel lost.

(d) Affidavits from individuals witnessing or involved in the loss of gasoline, special fuel, or aviation fuel must be obtained and available to the department.

(2) The distributor may not claim a refund for the petroleum cleanup fee.

**Section 17-Does your state allow bad debt credits?**

Yes. A distributor is entitled to a credit for the tax paid to the department on those sales of gasoline or special fuel with a tax liability of \$200 or greater for which the distributor has not received consideration from or on behalf of the purchaser and for which the distributor has not forgiven any liability. The distributor may not have declared the accounts of the purchaser worthless more than once during a 3-year period, and the distributor must have claimed those accounts as bad debts for federal or state income tax purposes. If a credit has been granted under subsection three, any amount collected on the accounts that were declared worthless must be reported to the department and the tax due must be prorated on the collected amount and must be paid to the department.

The department may require a distributor to submit periodic reports listing accounts that are delinquent for 90 days or more.

(Reference [MCA 15-70-425](#) (4) (a), (b), and (c))

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Distributor	The 25 <sup>th</sup> of the following month.	Cash or check – On the 25 <sup>th</sup> . If electronically, 5 days after the 25th

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Timely is 11:59 pm on due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The due date becomes the next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Distributor	\$100 for late filing	10% of tax not paid timely

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 falls under the definition of gasoline. There are no special reporting requirements.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

All distributors must post a bond not to exceed twice the average tax due each month. Importers and exporters must post a minimum bond of \$25,000, [15-70-402](#), MCA. There are no waivers of the bonding requirement.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel

- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	X	1,2,3,5,7,8,9,10

**Note: Definition of Distributor in Montana is Refiner, Blender, Importer, Exporter or Wholesaler who sales to retail locations they don't own.**

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically or by paper if the licensed distributor reports a combination of 99,999 gallons or less of gasoline and/or special fuel within a year. The distributor needs to only amend what information is changing. If a load was incorrectly reported, an amended return needs to be completed to reverse the entry originally filed, and then a correcting entry to replace the error.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes, but only for that month's credits and rebills. No prior period loads may be reported on a current month's report.

### **Section 35-How many days are allowed to report late loads?**

Zero days after the due date without the assessment of a 10% deficiency assessment and 1% interest prorated daily.

### **Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

MCA [15-70-412](#) requires each distributor to issue to the purchaser, an invoice that states the number of gallons of gasoline or special fuel covered by the invoice and any other information the department may require. "Other information" required is established in Administrative Rule:

#### **18.15.205 DISTRIBUTOR'S INVOICE**

(1) Except as provided in (2), any distributor who sells and delivers gasoline, special fuel, or aviation fuel in this state must issue an original invoice at the time of delivery to the purchaser. Each invoice must contain the following:

- (a) a preprinted consecutive number, except when invoices are automatically assigned a consecutive number by a computer or similar machine when issued;
- (b) name and address of the distributor;
- (c) name and address of purchaser;
- (d) date of delivery;
- (e) type of fuel;
- (f) gallons invoiced--those common terms used or known to measure gasoline, special fuel, or aviation fuel such as temperature corrected at 60 degrees (net), and gross (cubical, volumetric, and shell);
- (g) origin;
- (h) destination;
- (i) price per gallon and total amount charged;
- (j) to establish that the tax has been charged, at least one of the following:
  - (i) the U.S. dollar amount of tax;
  - (ii) the rate of tax; or
  - (iii) a statement that the Montana tax is included in the price.

(2) For direct shipments accounted for on the monthly distributor's statement to the Department of Transportation, the original invoice may be issued to the purchaser at the time of billing.

### **Section 37-What entities are exempt / excluded in your state?** **Please cite the statutory reference.**

**Tax** - Per Montana Codes Annotated (MCA) [15-70-403](#) (1) (c), aviation fuel sold to the federal defense fuel supply center is exempt from the 5-cent tax.

**Petroleum Storage Cleanup Fee** - Per MCA [75-11-302](#)

- (2) JP-4 jet fuel sold to a federal defense fuel supply center is exempt from the fee.



- (25) Special fuel when sold to a railroad or federal defense fuel supply center are exempt from the fee.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

36 months.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

36 months.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both depending on what type of credit is being claimed.

**Section 41- Does your state accept electronic BOLs?**

Currently, we do not accept electronic BOLs as there isn't a standard format for submitting the information. We had asked some terminal operators to add additional fields contained on the

paper BOLs to their terminal reports. This can act like as a replacement for electronic BOL, but the data is still received in non-standard formats.

#### **Section 42- Rail Car**

##### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

We accept both. Suppliers typically report the BOL date, and the buyers report the delivery date since railcars can take 21 days to reach their destination. These dates will sometimes cross reporting periods.

##### **Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes. <https://www.mdt.mt.gov/other/webdata/external/administration/manuals/MOTORFUELS-GUIDELINES.pdf>

# STATE OF NEBRASKA

## **Section 1-Contact Information**

**Agency:** Nebraska Department of Revenue, Excise Tax and Compliance

**Name:** Marcia Leichner

**Street Address:** 1313 Farnam Street, Suite 100 **City, State**

**Zip Code:** Omaha, NE 68102-1836 **Phone Number:** 402-

595-2013

**Fax Number:** 402-595-1041

**E-mail Address:** [Marcia.leichner@nebraska.gov](mailto:Marcia.leichner@nebraska.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Motor Fuels statutes are found in [Neb. Rev. Stat. Chapter 66](#)

Aircraft fuel statutes are found in [Neb. Rev. Stat. Chapter 3](#)

Motor fuels regulations can be found at: <https://revenue.nebraska.gov/motor-fuels/motor-fuels-legal-information/chapter-73-nebraska-fuels-tax>

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor/Wholesaler level **Diesel:**

Distributor/Wholesaler level

**Aviation Fuel:** Distributor/Wholesaler level **Jet**

**Fuel:** Distributor/Wholesaler level

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: Not defined.

Point of Taxation: Nebraska taxes at the distributor/wholesale level. Nebraska allows a maximum of two “pass-throughs” of the party remitting the tax. This is allowed in the form of an exemption. For example, a licensed supplier can sell tax free to a licensed distributor who remits the tax, or a licensed distributor can sell tax free to a licensed wholesaler who remits the tax.

See [Neb. Rev. Stat. § 66-489 \(1\)\(a\)\(iv\)](#)

**Section 5-State Tax Rates**

<b>Gasoline:</b> Jan 1, 2024 – Jun 30, 2024	29.1 cents per gallon
Jul 1, 2024 – Dec 31, 2024	29.6 cents per gallon (subject to change semiannually)

<b>Diesel:</b> Jan 1, 2024 – Jun 30, 2024	29.1 cents per gallon
Jul 1, 2024 – Dec 31, 2024	29.6 cents per gallon (subject to change semiannually)

**Aviation Fuel:** 5.0 cents per gallon

**Jet Fuel:** 3.0 cents per gallon

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Per [Neb. Rev. Stat. § 66-487](#), Nebraska taxes based on gross gallons.

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Per [Neb. Rev. Stat. § 66-1521](#), a petroleum release remedial action fee is imposed on the producer, refiner, importer, distributor, wholesaler, or supplier who engages in the sale or delivery of petroleum, for example motor vehicle fuels and clear and dyed diesel. The fee is due at the same point as the motor fuels tax. The rate is \$.009 per gallon on motor vehicle fuels, including aviation gasoline, and \$.003 per gallon on clear and dyed diesel, biodiesel, and jet fuel.

**Section 7-Rate Updates**

**Please list any rate updates for your state:**

The rate for motor vehicle fuels and diesel fuel is subject to change on a semiannual basis. Effective July 1, 2024, the motor fuels tax rate increased to 29.6 cents per gallon.

## **Section 8-State Collection Allowance**

Nebraska allows the following commission rates:

Motor vehicle fuels and aviation fuel: Nebraska allows a commission of 5% on the first \$5,000 of tax remitted and 2.5% upon all amounts above \$5,000 of tax remitted each period.

Diesel fuel and compressed fuel: Nebraska allows a commission of 2% on the first \$5,000 of tax remitted and .5% upon all amounts above \$5,000 of tax remitted each period.

Effective July 1, 2012, commissions are not allowed on under reported tax assessed on an audit. If an audit determines that tax was over reported, the commission previously claimed on the over reported tax will be deducted from the audit credit.

Commission rates are referenced in the following statutes: Motor vehicle fuel and diesel: [Neb. Rev. Stat. § 66-486](#) Compressed fuel: [Neb. Rev. Stat. § 66-6,113](#) Aircraft fuel: [Neb. Rev. Stat. § 3-148](#)

## **Section 9-State Diversion Requirements**

**Diversion Required: Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

Per [Reg 73-009.02](#) a diverted load occurs whenever the bill of lading or other transportation document for the fuel indicates a destination state other than the state to which the fuel is actually delivered.

9.2 A Whenever the bill of lading or other transportation document indicates a destination state other than Nebraska and the fuel is subsequently delivered to Nebraska, the liquid fuel carrier must register the diverted load and obtain a delivery permit number for the resulting diverted load prior to delivering the fuel.

**What diversion registry program do you use?** [FuelTrac.US](#) operated by Straight Dark Ventures, LLC (previously Trac III Systems, LLC)

**What products are subject to the diversion requirement?**

Motor vehicle fuels, aircraft fuels, and diesel fuel (including biodiesel and dyed diesel)

**Diversion Requirements**

A diversion permit must be obtained prior to delivering the diverted fuel whenever the bill of lading indicates a destination state other than the state to which the fuel was delivered.

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Since Nebraska is a distributor state, tax would only be refunded or credited if the fuel was exported. In such instances, the licensee (exporter) would report a tax-paid purchase and export on the Nebraska return. If not licensed in Nebraska, a refund claim would need to be filed by the exporter.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? See response above.**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? See response above.**

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives**

The [Nebraska Higher Blend Tax Credit Act](#) (HBTC) was created per LB 1261, with an operative date of July 21, 2022. Beginning with tax year 2022, retail dealers who sell ethanol blends of gasoline of E-15 or higher from motor fuels pumps at retail may receive a refundable income tax credit. The 2022 credit was equal to \$.05 for each gallon of E-15 and \$.08 for each gallon of E-25, E-30, and E-85 sold at retail during the prior calendar year. E-15 under this act, revised by LB 562 in 2023, means ethanol blended gasoline with more than 10% ethanol, but no more than 15% by volume; E-25 means ethanol blended gasoline with 25% ethanol; E-30 means ethanol blended gasoline with 30% ethanol; and E-85 means ethanol blended gasoline with 51% to 83% ethanol by volume.

For calendar year 2022, the total credits were limited to \$2 million. The annual limit for calendar year 2023 will be calculated by taking the annual limit from the prior calendar year and then multiplying such amount by (a) 200% if the amount of tax credits approved in the prior calendar year exceeded 90% of the annual limit applicable to that calendar year or (b) 100% if the amount of tax credits approved in the prior calendar year did not exceed 90% of the annual limit applicable to that calendar year. For calendar years 2024 through 2028, the annual limit on tax credits shall not exceed \$5 million.

The refundable income tax credits allowed to the retailer for blends sold at retail in the prior calendar year are as follows:

<u>Period/Calendar year</u>	<u>Tax credit on E-15</u>	<u>Tax credit on E-25 &amp; higher</u>
2023	5 cents per gallon	8 cents per gallon
2024	8 cents per gallon	8 cents per gallon
2025	9 cents per gallon	9 cents per gallon
2026	8 cents per gallon	8 cents per gallon
2027	7 cents per gallon	7 cents per gallon
2028	5 cents per gallon	5 cents per gallon

Retail dealers may distribute tax credits to their partners, members, shareholders, or beneficiaries in the same manner as income is distributed. Tax credits may be used to offset an income tax, premium tax, or financial institution tax liability and any excess tax credits may be refunded or carried forward until fully utilized. A complete application must be submitted for each calendar year a retail dealer would like to receive Nebraska higher blend tax credits.

Applications will be considered by the Nebraska Department of Revenue (DOR) in the order they are

received. DOR began accepting applications on August 1, 2022, for calendar year 2021 activity. New applications will not be accepted after December 31, 2028.

The [E-15 Access Standard Act](#) was created per LB 562 which passed in the 2023 legislative session. The operative date is September 2, 2023. Beginning January 1, 2024, new retail sites that don't otherwise meet an exemption as a "small retail motor fuel site" must offer for sale E-15 gasoline from at least 50% of all qualifying motor fuels dispensers. Retail dealers will provide a quarterly report of the number of gallons of motor fuels sold and the percentage of ethanol in each gallon sold. If the statewide use of ethanol does not reach 14% in 2027 based upon the quarterly reports, additional access requirements go into effect.

The [Nebraska Biodiesel Tax Credit Act \(BTC\)](#) was created per LB 727, with an operative date of September 2, 2023. Beginning with tax year 2024, retail dealers who sell biodiesel from motor fuels pumps at retail may receive a refundable income tax credit. The credit is equal to \$.14 for each gallon of biodiesel sold at retail during the prior calendar year. Biodiesel is defined as fuel that meets ASTM D6751 specifications and with less than one percent blended with diesel fuel.

Retail dealers may distribute tax credits to their partners, members, shareholders, or beneficiaries in the same manner as income is distributed. Tax credits may be used to offset an income tax, premium tax, or financial institution tax liability and any excess tax credits may be refunded or carried forward until fully utilized. A complete application must be submitted for each calendar year a retail dealer would like to receive Nebraska biodiesel tax credits.

Applications may be submitted from January 1 to April 15 of each calendar year beginning in 2024. DOR may approve up to \$1 million in tax credits in any calendar year. If the total amount of tax credits requested in any calendar year exceeds such limit, DOR will allocate the tax credits proportionately based upon the amounts requested. New applications will not be accepted after December 31, 2028.

#### [Nebraska Department of Environment and Energy \(NDEE\) – Dollar and Energy Saving Loans Program](#)

The NDEE administers the Dollar and Energy Saving Loans Program. The program makes low-cost loans available for dedicated alternative fuel projects. The maximum loan amount is \$500,000 and the interest rate is 5% or less. (Refer to the [Nebraska Department of Environment and Energy website](#) for additional information.)

#### **Nebraska Clean Diesel Rebate Program** – (Refer to the [Nebraska Department of Environment and Energy](#) for more information.)

NDEE's 2023 Clean Diesel Rebate Program offers rebates for the project described below. The number of rebates offered in each category may change from the numbers noted below depending on the number of applications received and NDEE's evaluation of the applications.

To be eligible to receive a rebate, the organization must be in compliance with all Nebraska environmental laws and with the NDEE's regulations and permits at all Nebraska locations.

#### **Agricultural Irrigation Pump Diesel Engine Replacement with Electric Equipment**

*The application period for this program closed December 7, 2023.*

Funding is available through the Nebraska Clean Diesel Program to assist farmers with the replacement of an irrigation pump diesel engine with:

- a) an electric motor or
- b) connecting a submersible pump directly to the electric grid.

NDEE anticipates funding 35-40 irrigation engine rebates.

- The current diesel engine must be in operating condition and have operated at least 250 hours each year over the past two years. Documentation of operating hours is required.
- The applicant must submit documentation that they have owned the engine to be replaced for at least two years prior to submission of the application.
- The diesel engine must have a remaining service life of at least three years based on age, condition, and usage.
- The diesel engine must be replaced with an electric motor or, if the engine powers a generator that runs a submersible pump, by directly connecting the submersible pump to the electric grid.
- The replaced diesel engine must be disabled (scrapped). NDEE will reimburse 60% of the cost of the electric motor, installation, and/or required electrical infrastructure (including electric line extension) up to a maximum rebate of \$20,000.
- Each operator may apply for a maximum of one rebate for one engine.
- Applications will be evaluated on the basis of the public health benefit and the amount and cost-effectiveness of the emissions reduction (determined by NDEE from the annual hours of operation, fuel use, and estimated remaining years of service of the replaced engine).

### **Alternative Fuel Tax Refund**

DOR will refund taxes paid on compressed fuel when used to operate buses capable of carrying seven or more passengers within or near a municipality. (Reference [Neb. Rev. Stat. § 66-6,109.01](#))

### **Alternative Fuel Vehicle Registration Fee**

Nebraska requires any person who operates a motor vehicle powered by an alternative fuel on state highways to pay a registration fee. Alternative fuels include electricity, solar power, and any other source of energy not otherwise taxed under the motor fuels tax laws. Liquefied petroleum gas and compressed natural gas are not included; these fuels are subject to excise taxes imposed under the Compressed Fuel Tax Act. The \$75 fee is collected by the Nebraska Department of Motor Vehicles at the time of vehicle registration. (Reference [Neb. Rev. Stat. §§ 66-306](#) and [60-3,191](#))

### **Alternative Fuel Tax**

The Compressed Fuels Act applies to all compressed fuels, including liquefied petroleum gas (LPG), compressed natural gas (CNG), and liquefied natural gas (LNG) and imposes an excise tax of \$0.095 per gallon or gallon equivalent on all compressed fuel sold for use in registered motor vehicles. Additionally, each retailer of such fuel shall pay an excise tax of \$0.068 per gallon or gallon equivalent on all compressed fuel sold for use in registered motor vehicles. These rates are effective January 1, 2019. Additional variable taxes, subject to change on January 1 and July 1 as specified under these statutes, also apply. ([Neb. Rev. Stat. §§ 66-697 through 66-6,116](#))



### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.291/gallon effective 1/1/24 (\$0.296/gallon effective 7/1/24)	B100 is taxable	Subject to the Environmental Fee	\$0.291/gallon effective 1/1/24 (\$0.296/gallon effective 7/1/24)	Ethanol is taxable	Subject to the Environmental Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Ethanol</b>	<b>Biodiesel</b>
Ethanol produced for use as a blending component is included in the statutory definition of motor vehicle fuels and is taxed like gasoline. Effective Jan. 1, 2024, the tax rate became \$0.291/gallon. On July 1, 2024, the tax increased to \$0.296/gallon. Ethanol is also subject to petroleum release remedial action fee (PRF) at a rate of \$0.009/gallon. Sales by a NE licensed producer to a NE licensed distributor may be tax free. Imports by a licensed distributor placed in storage are subject to tax. Tax-free sales by the distributor from the tax-paid storage are addressed on the distributor return.	B100 is included in the statutory definition of diesel fuel and is taxed like diesel. Effective Jan. 1, 2024, the rate became \$0.291/gallon. On July 1, 2024, the tax increased to \$0.296/gallon. B100 is also subject to PRF at a rate of \$0.003/gallon. Sales to a licensed distributor may be tax free. Imports by a licensed distributor placed in storage are subject to tax. Tax-free sales by the distributor from the tax-paid storage are addressed on the distributor return.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas) *</b>	Yes (same rate as mvf and diesel)	5.660 pounds (2.567 kg) = 1 GGE. This is based upon the <a href="#">National Institute of Standards and Technology</a> Handbook 130.
<b>E85</b>	Yes (same rate as mvf and diesel)	<b>Not Applicable</b>

<b>Electric Vehicles/Electricity</b>	Yes - \$75 fee per vehicle – collected by Department of Motor Vehicles.  Beginning 01/01/2028, an excise tax of three cents per kilowatt hour will apply on electric energy used to charge the battery of a motor vehicle at a commercial electric vehicle charging station. Sales and use taxes will not be imposed once excise tax is in place. See <a href="#">LB 1317</a> .	
<b>Gasoline Hybrid Vehicles</b>	Yes (gasoline portion taxed)	<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas) *</b>	Yes (same rate as mvf and diesel)	6.06 pounds = 1 DGE
<b>LPG (Liquefied Petroleum Gas) *</b>	Yes (same rate as mvf and diesel)	
<b>Methanol or “M85”</b>	Taxable if blended with motor fuels or placed directly into the supply tank of a licensed motor vehicle.	<b>Not Applicable</b>
<b>Other</b>	Fuel additives used to enhance engine performance, prevent fuel line freezing or clogging are not taxable if placed directly into the supply tank of a motor vehicle in quantities of one quart or less.	<b>Not Applicable</b>

\* Included in our definition of compressed fuel, which also includes butane, and any other type of compressed gas or compressed liquid suitable for fueling a motor vehicle.

#### **Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No, see the [Nebraska Propane Gas Association website](#) for details on their funding.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
See comment below		

Any product that is blended with either gasoline or undyed diesel for use in a licensed motor vehicle is taxable at the same rate as the gasoline and diesel.

**Section 16-How does your state handle contaminated fuel?**

Owners of Nebraska tax-paid fuel that was subsequently destroyed, or accidentally contaminated with another type of fuel may file a refund claim. Motor fuels tax will not be refunded on undyed diesel which was intentionally mixed with dyed diesel. See [Nebraska Non-Ag Use Motor Fuels Tax Refund Claim, Form 84.](#)

**Section 17-Does your state allow bad debt credits?**

No. In consideration of receiving the commission, the producer, supplier, distributor, wholesaler, or importer is not entitled to any deductions, credits, or refunds arising out of the producer's, supplier's, distributor's, wholesaler's, or importer's failure or inability to collect any such taxes from any subsequent purchaser of motor fuels.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Nebraska Monthly Fuels Tax Return, Form 73	20 <sup>th</sup> day of the month following the close of the reporting month *	Same **
Nebraska Ethanol and Biodiesel Producer's Return, Form 83	20 <sup>th</sup> day of the month following the close of the reporting month *	Same **
Nebraska Motor Fuels Terminal Operator Report, Form 87	20 <sup>th</sup> day of the month following the close of the reporting month *	N/A
Nebraska Compressed Fuel Retailer Return, Form 86	20 <sup>th</sup> day of the month following the close of the reporting tax period *	Same **
Nebraska Motor Fuels Use Tax Return, Form 74	20 <sup>th</sup> day of the month following the close of the reporting tax period *	Same **

Ethanol Blend Report, Form EBR (quarterly report filed by motor vehicle fuel retailers)	Electronic report due last day of the month following the end of the quarter. Effective 01/01/2024.	Informational report, no payment.
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\* Returns are considered timely filed if electronically transmitted on or before the 20<sup>th</sup> day of the month following the close of the reporting period. If the due date falls on a Saturday, Sunday, or legal holiday, the return will be considered timely filed if transmitted on or before the next business day following the 20<sup>th</sup>.

\*\* To be considered timely, an EFT tax payment must be initiated on or before 5:00 p.m. Central Time on the timely filed date, and the scheduled payment date must be no later than the first business day following the timely filed date.

### **Section 19-Does your state consider postmarked or received by due date as timely filed?**

Yes, if a taxpayer is allowed to pay by check, we consider the payment timely if it is post-marked or hand-delivered to DOR by the due date.

### **Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

To be considered timely filed, an electronic return must be transmitted before midnight on the due date.

### **Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If the due date falls on a Saturday, Sunday, or legal holiday, the return will be considered timely filed if transmitted on or before the next business day following the 20<sup>th</sup>.

### **Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
All motor fuel tax returns and reports	A penalty of \$50 is imposed on returns filed within 10 days after the due date. An additional penalty of \$100, or 10% of the unpaid tax, whichever is greater, is imposed on the 11 <sup>th</sup> day after the due date.	A penalty of \$50 is imposed on returns filed within 10 days after the due date. An additional penalty of \$100, or 10% of the unpaid tax, whichever is greater, is imposed on the 11 <sup>th</sup> day after the due date.

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

All motor vehicle fuel products, including E85 and other ethanol blends such as E10 and E25, are taxed at the same rate. E85 is defined as ethanol blended gasoline with 51% to 83% ethanol by volume. Nebraska currently accepts product code 124 for all ethanol/gasoline blends, however, this may change in the future when the more exact ethanol content (E15, E25, E85, etc.) is required.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Although carriers must be licensed and obtain diversion permits as needed, they are **not** required to file returns.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A – Nebraska is a distributor/wholesaler state.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

N/A - Nebraska is a distributor/wholesaler state, therefore taxes are generally remitted directly to the State by the distributor.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A - Nebraska is a distributor/wholesaler state, therefore taxes and environmental fees are generally remitted directly to the State by the distributor.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Gasoline, gasohol, and ethanol are not subject to sales tax. Diesel fuels are subject to sales tax when sold for uses other than to propel a vehicle. The sales tax rate is the state sales tax rate in effect plus any applicable local tax. The sales tax rate is applied to the dollar amount of the sale. For more information, see [Reg 1-089 Energy Source Utility Exemption](#).

## **Section 29-What are your bonding requirements for your motor fuel license(s)?**

Nebraska requires that all new licensees maintain a surety bond for the first year of their license. The security must be in the form of a bond issued by a surety company licensed and authorized to do business in Nebraska. The bonding requirements apply independently to specific tax programs:

- 1) The amount of the motor fuels bond must equal at least three times the anticipated monthly motor fuels tax liability, with a minimum bond amount of \$20,000;
- 2) An aircraft fuels license requires a surety bond equal to at least three times the anticipated monthly aircraft fuels tax liability, with a minimum bond of \$10,000; and
- 3) Compressed fuel retailers are required to have a minimum bond of \$1,000.

There is no bonding requirement for the Nebraska PRF program or Liquid Fuel Carrier license.

During the initial year of a license, the account is monitored to ensure the appropriate bonding level is maintained. If, after that first year, the account is found to be in good standing, the surety bond may be canceled. However, if the account is not in good standing or reported liabilities materially exceed the bond, an extension or increase in the bond may be required.

Nebraska also maintains a cash bond fund to which licensees have contributed. The cash bond fund is used to reimburse the highway fund if a taxpayer no longer has a surety bond and if collection is improbable. Accounts must be delinquent for at least 90 days. See [Neb. Rev. Stat. §§ 66-733 to 66-736](#).

## **Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

### **Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10. Stores Fuel at IRS Terminal (ExStar Report)

Nebraska licenses taxpayers in the fuel chain in the following order: producers, suppliers, distributors, importers, wholesalers, exporters, and retailers. If a taxpayer operates at multiple

levels in the chain, they are licensed at the highest level. For example, if a taxpayer operates as a supplier, distributor, importer, and retailer, Nebraska will license them as a supplier. As stated earlier in Section 4, Nebraska allows up to two pass-throughs of the party that must remit the tax. This results in the distributor or wholesaler usually being the party that must remit the tax to the state.

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Terminal Operator		7,10
Producer	X	1, 2, 3, 4, 5, 9
Supplier	X	1, 2, 3, 4, 5, 8
Distributor	X	1, 2, 3, 4, 8
Importer	X	1, 3, 4, 8
Wholesaler	X	1, 2, 3, 4, 8
Exporter		2
Retailer		4
Carrier		6

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, Nebraska is a distributor state and requires the seller to collect Nebraska motor fuels taxes if the seller is delivering the product into Nebraska to an unlicensed purchaser or if the sale is beyond the two allowed pass-throughs. If fuel is exported from Nebraska by the seller, no taxes are required to be collected or remitted.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A – Nebraska is a distributor/wholesaler state.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns must be filed electronically. Nebraska requires only the information that is changing be amended if filing a supplemental return. Nebraska will accept, however, the entire amended return.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes.

### **Section 35-How many days are allowed to report late loads?**

Late loads must be reported on the following month's return to avoid any penalty. Interest will still apply. Nebraska allows prior period transactions to be reported on the current month's return as long as they are within the statutory period for filing an amended return (three years) and the number of late loads is reasonable. If there are a large number of late loads, the Department may require an amended return be filed instead of adding to a current return. Software companies may limit the period of time for accepting prior period adjustments, however. We will move the transactions back to the appropriate month and bill for any interest and penalty due. Again, if transactions are reported by the due date of the next month's return (delayed only one month), for example, April transactions being reported on the current May return, there is interest, but no penalty due.

### **Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

[Neb. Rev. Stat. § 89-193](#) addresses the content of an invoice and when one is required. Whenever the quantity is determined for a commodity sold from bulk, except sales from bulk of less than \$20 and sales of motor vehicle fuel of less than \$100, an invoice should be prepared. The invoice should contain the following information:

- 1) The name and address of the buyer and seller involved in the transaction;
- 2) The date delivered;
- 3) The quantity delivered and the quantity upon which the price is based if different from the delivered quantity;
- 4) The identity in the most descriptive terms commercially practicable, including any quality representation made in connection with the sale; and
- 5) The count of individually wrapped packages, if more than one.

All producers, suppliers, distributors, wholesalers, or importers selling taxed fuel for resale must separately state the tax on the invoice or other billing document, or include a statement that the Nebraska fuel taxes have been paid on the motor fuel. If the invoice or other billing document does not contain the amount of the tax or the statement, the motor fuel shall be presumed to be untaxed and the purchaser is liable for the tax on the fuel. See [Neb. Rev. Stat. § 66-717](#).

### **Section 37-What entities are exempt / excluded in your state?** **Please cite the statutory reference.**

The following entities are exempt from paying motor fuels taxes in Nebraska:

- United States government or its agencies. See [Neb. Rev. Stat. § § 66-489 \(6\) & 66-1521 \(1\)](#)
- Metropolitan transit authority. See [Neb. Rev. Stat. § 14-810](#).
- Native Americans purchasing motor fuels on a Nebraska Indian Reservation, if there is not an agreement between the State of Nebraska and the governing body of any federally recognized Indian tribe. See [Neb. Rev. Stat. § 66-489 \(5\)](#). Currently, there are agreements with the three tribes with reservation land in Nebraska.
- Per Section 4 above, Nebraska allows two pass-throughs between certain licensees. See above.



**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Nebraska's statute does not provide for a limitations period with regard to filing amended returns which result in additional tax; however, the statute of limitations is three years for claiming a refund of tax. See [Neb. Rev. Stat. § 66-722 \(6\)](#) and [66-726 \(3\)](#).

**Section 39-What is your statute of limitations to refund motor fuel tax?**

The statute of limitations for filing a refund claim is three years from the date the motor fuels taxes were paid. See [Neb. Rev. Stat. § 66-726 \(3\)](#).

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Yes, if an amended return is filed for a legitimate purpose (per documentation provided), for example, to report tax-paid fuel that was originally reported as tax free, the return will be reviewed and if deemed proper, a refund will be processed upon taxpayer request. Taxpayers are also given the option to apply the credit to a current return's balance.

There are instances when a refund claim, [Nebraska Non-Ag Use Motor Fuels Tax Refund Claim, Form 84](#), should be filed instead of filing an amended return, for example, destroyed or contaminated tax-paid fuel, taxed fuel used in unlicensed equipment, etc.

**Section 41- Does your state accept electronic BOLs?**

Yes, Nebraska will accept electronic BOLs.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

For disbursements from Nebraska, we accept the BOL origin date. For receipts into Nebraska, we accept the delivery date.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Nebraska requires all returns be filed electronically. Paper copies of the return and instructions are available on the website; however, they must not be used for filing purposes. The paper copies are available [here](#) – see Tax Returns section.

# **STATE OF NEVADA**

## **Section 1-Contact Information**

**Agency:** Nevada Dept. of Motor Vehicles-Motor Carrier Division

**Name:** Karen Stoll

**Street Address:** 555 Wright Way

**City, State Zip Code:** Carson City, NV 89711

**Phone Number:** (775) 684-4610

**Fax Number:** (775) 684-4619

**E-mail Address:** kstoll@dmv.nv.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Nevada Revised Statutes Chapters 360A, 365 and 366. The Administrative Codes are covered in NAC 360A, 365 and 366. County taxes are covered by NRS 373 and Inspection and Cleanup Fees are covered in NRS 590 and NRS 445C.

## **Section 3-State Point of Taxation**

**Gasoline:** Sales made to end user or retailer. Sales between licensed suppliers are tax-free

**Diesel:** Sales made to end user or retailer. Sales between licensed suppliers are tax-free

**Aviation Fuel:** Sales made to end user or retailer. Sales between licensed suppliers are tax-free

**Jet Fuel:** Sales made to end user or for self-consumption. Sales between licensed suppliers are tax-free

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver:-** The company that imports fuel into the state, either through pipeline or by truck.

**Point of Taxation:** The sale made to the end user or a retailer. Sales between licensed suppliers are tax-free.

## **Section 5-State Tax Rates**

**Gasoline:** \$0.23 per gallon; counties are able to impose county option taxes. 2 counties have enacted indexing based upon the PPI (Producer Price Index). In addition, 1 county also indexes its fuel taxes based upon the CPI (Consumer Price Index), in addition to the PPI indexing.

**Diesel:** \$0.27 per gallon. 2 counties have enacted indexing based upon the PPI (Producer Price Index).

**Aviation Fuel:** \$0.02 per gallon; counties are able to impose county option taxes up to 8 cents per gallon.

**Jet Fuel:** \$0.01 per gallon

Counties are able to enact county option taxes up to 4 cents per gallon.  
Certain counties in Nevada have county index taxes. These are in addition to state taxes.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

As long as either the net or gross gallons match the billed gallons, we will accept reporting in this manner. No law or regulations; Division policy.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Inspection fee is: .00055	NRS 590.120
Clean up fee is: .0075	NRS 445C

## **Section 7-Rate Updates**

Please list any rate updates for your state: The 2019 Legislative Session passed a 0-5 cent per gallon county diesel fuel tax for counties less than 100,000 in population – SB48 2019. Effective January 1, 2020. At this time, Pershing County (3-1-20), Lyon County (6-1-20), White Pine County (7-1-20), Carson City County (8-1-20), Humboldt County (1-1-2021), Churchill County (2-1-2021), Storey County (3-1-2021) and Mineral County (4-1- 2021), Elko County (11-1-2023) and Esmeralda County (2-1-2024) have all passed this tax bill – all at the 5 cents per gallon.

## **Section 8-State Collection Allowance**

All licensed companies are allowed a 2% collection allowance for timely filing.

## **Section 9-State Diversion Requirements**

### **Diversion Required**

No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use? N/A**

**What products are subject to the diversion requirement? N/A**

**Diversion Requirements: N/A**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

Nevada is the home of the Las Vegas Regional, Inc. ([www.lasvegascleancities.org](http://www.lasvegascleancities.org)), and the Truckee Meadows, Inc. Clean Cities Coalitions. Coordinator contact information is listed in the Points of Contact section.

### **State Incentives**

There are currently no known State incentives offered in Nevada.

### **Alternative Fuel Tax**

Special fuels other than diesel have a reduced special fuels tax: Liquefied petroleum gas (LPG) used to operate a motor vehicle is taxed at a rate of \$0.0640 per gallon, ~~and~~ compressed natural gas (CNG) used to operate a motor vehicle is taxed at a rate of \$0.21 per gallon and liquefied natural gas (LNG) is taxed at the rate of \$0.27 per gallon. For the purpose of taxing the sale or use of LPG, ~~or CNG, 125 cubic feet of CNG or~~ 36.3 cubic feet (or 4.2 pounds) of LPG is considered equal to one gallon of special fuel. For the purpose of taxing the sale or use of CNG, 126.67 cubic feet of CNG or 5.660 pounds of natural gas shall be deemed to equal 1 gallon of special fuel. For the purpose of taxing the sale or use of LNG, the fuel should be dispensed at 6.6 lbs. per gallon. (Reference Nevada Revised Statutes 366.190 and 366.197)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.27/gallon-taxed as a special fuel	Not taxed as motor fuel	Subject to the Petroleum Clean-up Fee at time of importation	\$0.23/gallon (state tax) when blended. County taxes also apply.	Taxed when blended	Subject to Cleanup and Inspection Fees at time of importation

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$0.27/gallon. Sales to licensed distributors are tax free. If fuel is dyed, there are no excise taxes. Subject to Cleanup Fee at time of importation and/or refining.	Ethanol is treated like gasoline, is taxed upon blending. The tax rate is \$0.23/gallon. Subject to Cleanup and Inspection Fees at time of importation. County taxes also apply. Can be sold tax free to other distributors.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Y	<b>126.67 cubic feet or 5.660 pounds of natural gas shall be deemed to equal 1 gallon of special fuel</b>
<b>E85</b>	Y	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Not yet.	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Y	<b>6.06 lbs. = 1 gallon of special fuel</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Y	<b>36.3 cubic feet (or 4.2 pounds) of LPG shall be deemed to equal 1 gallon of special fuel</b>
<b>Methanol or “M85”</b>	Yes, when blended	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
Ethanol, methanol, transmix, when blended	\$0.23 plus county taxes	Y
Any other products when blended	\$0.23 plus county	Y

**Section 16-How does your state handle contaminated fuel?**

Suppliers have to pay all applicable taxes and fees. The 2% collection allowance is used to cover these types of instances. Taxes and fees are also due if a load of fuel is lost due to an accident, etc.

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Supplier Tax Return	Month end	Month end

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

If a payment is made by check, the postmark date is the received date.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

The suppliers/dealers have until 11:59 PM of the due date to file and pay their taxes and be timely filed.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

The company loses its 2% collection allowance and penalty and interest are assessed on the gross amount of taxes due. If a supplier/dealer is considered to be habitually delinquent, it will increase the amount of bond necessary to secure its account with the state.

Name of Report	Report Penalties	Payment Penalties
Supplier Tax Return	10%	10%

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Regardless of the percentage of blend, the fuel is taxed at the same rate as gasoline, there are no incentives to allow for a lower tax rate.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, transporters must report all movements of fuel, into the state, out of the state and all movements with the state.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Nevada does not have a sales tax on motor fuels and special fuels.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

All suppliers must post at least a minimum of a \$2,000 bond, for “zero” filers. Bonds are based upon the taxable sales; a supplier must post a bond to cover three (3) months of taxable sales. If determined to be habitually delinquent, must then post a bond at five (5) times.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1,2,3,4,5,6,8,10
Exporter		2
Transporter		6
Dealer	X	1,2,3,4,6
Terminal Operator		7
Pipeline		6,7

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

N/A

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A



**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

At this time, amended returns are a manual process. The entire return must be resubmitted and must include all supporting documentation.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes

**Section 35-How many days are allowed to report late loads?**

Only loads one (1) month old. Older than one (1) month will need to be reported on a hard copy amended return.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Name and address of the carrier of the fuel, date the fuel was delivered into the motor vehicle, rail car, vessel or pipeline of the carrier, type of fuel, name address and employer identification number of the purchase of the fuel, the address of each location to which the fuel will be delivered, the date on which the fuel will be delivered, the type and quantity of fuel which will be delivered to each location, if delivered to a person – the name of that person.

Nevada's Records Requirements may be found:

NRS 365.500 – 365.530

NAC 365.250 – 365.255

NRS 366.685 – 366.697

NAC 366-300 – 366.320

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

**NRS 365.220**

**NRS 365.220 Exempt transactions and sales.** The provisions of this chapter requiring the payment of excise taxes do not apply to:

1. Motor vehicle fuel if it remains in interstate or foreign commerce.
2. Motor vehicle fuel, except aviation fuel, exported from this State by a supplier.
3. Aviation fuel or fuel for jet or turbine-powered aircraft exported from this State by a dealer.
4. Motor vehicle fuel or fuel for jet or turbine-powered aircraft sold to the United States Government for official use of the United States Armed Forces.
5. Motor vehicle fuel, other than aviation fuel, distributed or delivered on the order of the owner, to a supplier, or aviation fuel or fuel for jet or turbine-powered aircraft distributed or

delivered on the order of the owner, to a dealer, if the dealer or supplier has furnished security in the amount prescribed in [NRS 365.290](#) and has established to the satisfaction of the Department that the security is sufficient to ensure payment of all excise taxes as they may become due to the State from the dealer or supplier under this chapter. Every dealer or supplier who claims an exemption shall report the distributions to the Department in such detail as the Department may require. If the dealer or supplier does not do so, the exemption granted in this subsection is void and all fuel is considered distributed in this State subject fully to the provisions of this chapter.

6. Leaded racing fuel. As used in this subsection, “leaded racing fuel” means motor vehicle fuel that contains lead and is produced for motor vehicles that are designed and built for racing and not for operation on a public highway.

### **NRS 366.200 Special Fuel**

#### **NRS 366.200 Exempt sales and uses.**

1. The sale or use of special fuel for any purpose other than to propel a motor vehicle upon the public highways of Nevada is exempt from the application of the tax imposed by [NRS 366.190](#). The exemption provided in this subsection applies only in those cases where the purchasers or the users of special fuel establish to the satisfaction of the Department that the special fuel purchased or used was used for purposes other than to propel a motor vehicle upon the public highways of Nevada.

2. Sales made to the United States Government or any instrumentality thereof are exempt from the tax imposed by this chapter.

3. Sales made to any state, county, municipality, district or other political subdivision thereof are exempt from the tax imposed by this chapter.

4. Sales made to any person to be used to propel a motor vehicle which is dedicated for exclusive use as part of a system which:

- (a) Operates motor vehicles for public transportation in an urban area;
- (b) Transports persons who pay the established fare; and
- (c) Uses public money to operate the system or acquire new equipment,

□ are exempt from the tax imposed by this chapter.

5. Sales made to any person for use in operating special mobile equipment are exempt from the tax imposed by this chapter

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Generally same as audit requirements for record retention, four years. NRS 365.500 and 366.685 (Refunds as limited in NRS 365.420 and 366.650 – 12 months after date of payment, 3 months for Exports)

**Section 39-What is your statute of limitations to refund motor fuel tax?**

NRS 365.420 and 366.650 (Special Fuel) Three months for Exports; 12 months for exempt use.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both (subject to time limitations)

**Section 41- Does your state accept electronic BOLs?**

Yes

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

We accept either but reporting method must be consistent.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Instructions – yes, there is a Handbook online. [Fuel Dealers & Suppliers \(nv.gov\)](http://fueldealersandproviders.nv.gov)

Website: [Fuel Dealers & Suppliers \(nv.gov\)](http://fueldealersandproviders.nv.gov)

Forms are available online to licensed Nevada fuel suppliers.

# STATE OF NEW HAMPSHIRE

## **Section 1-Contact Information**

**Agency:** Department of Safety

**Name:** Jennifer L. Hall

**Street Address:** 33 Hazen Drive

**City, State Zip Code:** Concord, NH 03305

**Phone Number:** 603 223-8067

**Fax Number:** 603 271-6758

**E-mail Address:** [Jennifer.L.Hall@dos.nh.gov](mailto:Jennifer.L.Hall@dos.nh.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

*Revised Statutes Annotated:*

Motor Vehicle Road Tolls Chapter 260:30 -260:65-e

<http://www.gencourt.state.nh.us/rsa/html/XXI/260/260-mrg.htm>

Oil Discharge or Spillage in Surface Water or Groundwater 146-A:2, 146-A:11-a & b

<https://www.gencourt.state.nh.us/rsa/html/NHTOC/NHTOC-X-146-A.htm>

Oil Discharge and Disposal Cleanup Fund 146-D

<https://www.gencourt.state.nh.us/rsa/html/NHTOC/NHTOC-X-146-D.htm>

Hazardous Waste Cleanup Fund – Automotive Oil Fee 147-B:12

<https://www.gencourt.state.nh.us/rsa/html/NHTOC/NHTOC-X-147-B.htm>

Statutory Definitions:

<http://www.gencourt.state.nh.us/rsa/html/XXI/259/259-mrg.htm>

*Administrative Rules:*

Road Toll Administration Rules

[http://www.gencourt.state.nh.us/rules/state\\_agencies/saf-c300.html](http://www.gencourt.state.nh.us/rules/state_agencies/saf-c300.html)

Oil Pollution Control Fund Licensing and Fees Rules

[http://www.gencourt.state.nh.us/rules/state\\_agencies/saf-c4200.html](http://www.gencourt.state.nh.us/rules/state_agencies/saf-c4200.html)

Oil Discharge and Disposal Fund Licensing and Fees Rules  
[https://gencourt.state.nh.us/rules/state\\_agencies/saf-c4300.html](https://gencourt.state.nh.us/rules/state_agencies/saf-c4300.html)

Fuel Oil Discharge Cleanup Fees Rules  
[https://gencourt.state.nh.us/rules/state\\_agencies/saf-c4400.html](https://gencourt.state.nh.us/rules/state_agencies/saf-c4400.html)

Automobile Oil Fee and Motor Oil Discharge Cleanup Fees Rules  
[https://gencourt.state.nh.us/rules/state\\_agencies/saf-c4800.html](https://gencourt.state.nh.us/rules/state_agencies/saf-c4800.html)

### **Section 3-State Point of Taxation**

	Point of Taxation	
	Road Toll (Motor Fuel Tax)	Environmental Fees
Gasoline	Distributor (Last Licensee)	First Import
Diesel	Distributor (Last Licensee)	First Import
Aviation Fuel	Distributor (Last Licensee)	First Import
Jet Fuel	Distributor (Last Licensee)	First Import

### **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: **Saf-C 4203.02 Importers.**

- (a) For the purpose of these rules "importer" means:
  - (1) An out-of-state seller who owns the product as it crosses the state line into New Hampshire, or has hired a transporter to deliver said product, and of which the title to said product passes to the customer, upon delivery at the customer facility; or
  - (2) An in-state purchaser that picks up the product out of state and owns it as it crosses the state line into New Hampshire, or hires a transporter to deliver said product to his/her facility.
- (b) If a product is delivered by ship or barge, the connection at the flange shall be deemed the state line.

*Note: Administrative Rule Saf-C 4203.02 Importers only affects the Environmental Fees.*

Point of Taxation: **260:32 Levy of Tolls and Exemptions. –**

There is hereby imposed a road toll of \$.18 per gallon upon the sale of each gallon of motor fuel sold by distributors thereof, as adjusted according to RSA 260:32-a. The road toll shall be collected by the distributor from the purchaser and remitted to the state in the manner hereinafter set forth. All revenues collected from adjustments under RSA 260:32-a for rates that exceed \$.18 per gallon shall be nonlapsing and continually appropriated to, and expended exclusively by, the department of transportation in accordance with RSA 260:32-b. Provided, that the road toll shall not apply to:

There is hereby imposed a road toll of \$.18 per gallon upon the sale of each gallon of motor fuel sold by distributors thereof. The road toll shall be collected by the distributor from the purchaser and remitted to the state in the manner hereinafter set forth. Provided, that the road toll shall not apply to:

- I. Sales to the United States government for use of the armed forces only.
- II. Sales between duly licensed distributors;
- III. Sale of motor fuel exported from the state;
- IV. Bulk sales from distributors to the state of New Hampshire or its agencies; or
- V. Sales from distributors to any city, town, county, school district, or village district.
- VI. [Repealed.]

**260:32-a Adjustment of Road Toll; Publication. –**

Paraphrased: *Effective July 1, 2014 based upon the Consumer Price Index the Road Toll Rate increased \$0.042 per gallon from \$0.18 to \$0.222*

**Section 5-State Tax Rates**

**Road Toll and Environmental Fees (Per Gallon)**

<b>Product Type</b>  <b>Law Reference&gt;&gt;&gt;</b>	<b>Road Toll****</b>  <b>RSA 260:32 &amp; 260:32-a</b>	<b>Airway Tolls</b>  <b>RSA 422:34</b>	<b>ODD</b>  <b>RSA 146-D</b>	<b>OPC</b>  <b>RSA 146-A</b>	<b>Auto Oil</b>  <b>RSA 147- B:12</b>	<b>Motor Oil</b>  <b>RSA 146-A</b>	<b>Fuel Oil</b>  <b>RSA 146-A</b>	<b>Total Toll &amp; Fees</b>
<b>Alternative Fuels</b>	\$0.222							\$0.22200
<b>Gasoline</b>	\$0.222		\$0.015	\$0.00125				\$0.23825
<b>Special Fuel - Undyed</b>	\$0.222		\$0.015	\$0.00125				\$0.23825
<b>Special Fuel - Dyed</b>			\$0.015	\$0.00125				\$0.01625
<b>Biodiesel</b>	\$0.222		\$0.015	\$0.00125				\$0.23825
<b>Aviation Gas</b>		\$0.04	\$0.015	\$0.00125				\$0.05625
<b>Jet Fuel - Part 121</b>		\$0.005		\$0.00125				\$0.00625
<b>Jet Fuel - Private</b>		\$0.02		\$0.00125				\$0.02125
<b>Heating Oils</b>				\$0.00125			\$0.0125	\$0.01375
<b>Motor Oils</b>				\$0.00125	\$0.02	\$0.04		\$0.06125

**\*\*\*\* - State of New Hampshire refers to Motor Fuel Tax as Road Toll**

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Administrative Rule Saf-C 302.20: “Gallon” means a liquid measure that is not corrected for temperature and that contains 231 cubic inches or the equivalent of 4 1/4 pounds of propane or 100 cubic feet of natural gas. The term includes “gross gallons”.

Road Toll is calculated using reported Gross Gallon amounts on the following Distributor forms:

- MFD 1-S/AF (Revised 07/2018)
- AFD 1 (Revised 01/2017)
- BFD 1 (Revised 01/2017)

Environmental Fees are calculated using reported Gross Gallon amounts on the following Environmental forms:

- RT51 (Revised 07/2013)

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

See Section 5 above for the listing of all Road Toll and Environmental Fees on reportable products. ODD stands for Oil Discharge and Disposal Fee and OPC stands for Oil Pollution Control Fee.

**Section 7-Rate Updates**

Please list any rate updates for your state: No rate changes are scheduled to occur in 2025.

**Section 8-State Collection Allowance**

None

**Section 9-State Diversion Requirements**

**Diversion Required:** Diversion reporting not required, due to point of taxation  
**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?**

**What products are subject to the diversion requirement?**

**Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

New Hampshire is the proud home of the Granite State Clean Cities Coalition. ([www.granitestatecleancities.org](http://www.granitestatecleancities.org)) The coordinator contact information is listed in the Points of Contact section.

#### **State Incentives**

There are currently no known State incentives offered in New Hampshire

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.222/gallon	B100 is taxable	Not subject to the Oil Discharge Fee and the Oil Pollution Fee	\$0.222/gallon	Ethanol is taxable	Subject to the Oil Discharge Fee and the Oil Pollution Fee



## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
<p>B100 is treated like diesel fuel. Importers of B100 are required to be licensed as a Motor Fuel &amp; Aviation Fuel Distributor. Road Toll is due upon first sale to an unlicensed person or entity at the rate of \$0.222/gallon.</p> <p>Any person who [within the State of New Hampshire] refines, distills, prepares, blends, manufactures, or purchases biodiesel on which the road toll has not been paid and who is not a licensed and bonded distributor in accordance with RSA 260:36, shall become licensed with the department as a Biodiesel Fuel Distributor.</p> <p>Import of B100 or D100 is exempt from ODPC licensing/ reporting/ taxability as neither are petroleum based.</p>	<p>Ethanol is treated like gasoline. Importers of Ethanol are required to be licensed as a Motor Fuel &amp; Aviation Fuel Distributor. Road Toll is due upon first sale to an unlicensed person or entity at the rate of \$0.222/gallon.</p> <p>Environmental fees (ODD and OPC) are due upon import by the company who owns the product as it crosses into the State.</p>

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas) **</b>	Yes	\$0.222 per Gasoline Gallon Equivalent (126.67 cubic feet or 5.66 pounds)
<b>E85</b>	Yes, but it is not readily available in the State.	\$0.222 per gallon
<b>Electric Vehicles/Electricity</b>	No	EV's subject to additional \$100 registration fee annually
<b>Gasoline Hybrid Vehicles</b>	Only gasoline placed into vehicle is subject to Road Toll of \$0.222 per gallon.	Plug-in Hybrids subject to additional \$50 registration fee annually
<b>Hydrogen</b>	No	Not Applicable
<b>LNG (Liquefied Natural Gas) **</b>	Yes	\$0.222 per Diesel Gallon Equivalent (1.88 gallons or 6.06 pounds)

<b>LPG (Liquefied Petroleum Gas) **</b>	Yes	\$0.222 per Gasoline Gallon Equivalent (1.35 gallons)
<b>Methanol or "M85"</b>	Yes, but it is not readily available in the State	\$0.222 per gallon
<b>Other</b>		Not Applicable

\*\* - As defined by Administrative Rule Saf-C 306.07(a)

#### **Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

#### **Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Ethanol (E00-E99)	\$0.222/ gallon	Yes
Biodiesel (B00-B99)	\$0.222/ gallon	Yes

#### **Section 16-How does your state handle contaminated fuel?**

NH RSA 260:38 paragraph II states: "The department shall allow, upon proper proof, any losses due to any catastrophe or extraordinary circumstances. A licensed distributor shall report immediately to the road toll administration any losses sustained by the distributor through fire, accident, or unavoidable calamity, in order that the road toll administration may make any investigation it may deem necessary. In such cases, the distributor shall not delay reporting the loss until the filing of the next monthly report. Failure to report any losses promptly may result in the refusal of the road toll administration to allow credit for such losses against the distributor's road toll liability."

Form *RT 218 "Loss of Petroleum Product Notification"* is the prescribed form Distributors must fill out to report a loss to the Bureau.

#### **Section 17-Does your state allow bad debt credits?**

**260:50-a Abatement of Road Tolls.** – The commissioner shall have the authority to abate, in whole or in part, any road tolls, penalties, or interest assessed under this subdivision which, in his or her judgment, are uncollectible or for which the administrative and collection costs involved would not warrant collection of the amount due or for such other good cause as the commissioner shall determine after consultation with the department of justice bureau of civil law.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Motor Fuel & Aviation Fuel Distributor Report (MFD 1-S/AF)	20 <sup>th</sup> day of following calendar month	20 <sup>th</sup> day of following calendar month
Motor Fuel & Petroleum Products Transporter's Report (RT 113)	20 <sup>th</sup> day of following calendar month	20 <sup>th</sup> day of following calendar month
Oil Discharge & Pollution Control Report (RT 51)	20 <sup>th</sup> day of following calendar month	20 <sup>th</sup> day of following calendar month
Biodiesel Fuel Distributor Report (BDF 1)	20 <sup>th</sup> day of following calendar month	20 <sup>th</sup> day of following calendar month
Alternative Fuels Dealer Report (AFD 1)	20 <sup>th</sup> day of following calendar month	20 <sup>th</sup> day of following calendar month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Per Administrative Rule *Saf-C 304.05 Reporting – General.*

(f) The following filing dates shall apply:

- (1) For reports that are mailed to the administration, the filing date shall be the date on the post office cancellation mark, or if delivered by another service, the date of shipment
- (2) For reports that are hand-delivered, the filing date shall be the date upon which the reports are received and time-stamped by the administration; and
- (3) For reports that are submitted electronically, the filing date shall be the date upon which the reports are accepted without critical error.

Per Administrative Rule *Saf-C 304.06 Electronic Filing.*

(b) The reports set forth in (a) above shall be submitted as follows:

- (1) Licensees with 100 or more total transactions during a reporting period shall submit reports electronically, with any and all road toll due paid by means of ACH debit transfer,
- (2) Licensees with less than 100 total transactions during a reporting period may submit paper returns, accompanied by a check payable to the “State of NH – Road Toll” for the total amount of road toll due, as shown on the return; and
- (3) Once a licensee files 100 or more total transactions during any one reporting period, he/she shall file all future reports electronically, regardless of the number of transactions.

(c) Licensees required to submit reports electronically pursuant to (b)(1) above shall:

- (1) Submit reports via the web-based automated fuel tax system; or
- (2) Submit reports via electronic data interface, with the licensee bearing the cost to provide and maintain the equipment, software, security, and other related expenses.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

An electronically filed return would be considered timely if filed at 11:59 pm EST on the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The report(s) and payment(s) would be due on the first business day following the weekend (i.e. Monday) or the holiday.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Monthly Motor Fuel & Aviation Fuel Distributor Report (MFD 1-S/AF)	10% of the amount due or if nothing is due \$1 for each day late.	10% of the amount due and interest at 0.8333%* per month or 10%* annual rate.
Monthly Motor Fuel & Petroleum Products Transporter's Report (RT 113)	\$500 penalty if return is filed late.  Failure to timely report a delivery results in a penalty of \$500 or \$10 per unreported delivery, whichever is greater.	Interest charged on penalty amount only at rate of 0.8333%* per month or 10%* annual rate.
Monthly Oil Discharge & Pollution Control Report (RT 51)	10% of the amount due or if nothing is due \$1 for each day late.	10% of the amount due and interest at 0.8333%* per month or 10%* annual rate.
Monthly Biodiesel Fuel Distributor Report (BDF 1)	10% of the amount due or if nothing is due \$1 for each day late.	10% of the amount due and interest at 0.8333%* per month or 10%* annual rate.
Monthly Alternative Fuels Dealer Report (AFD 1)	10% of the amount due or if nothing is due \$1 for each day late.	10% of the amount due and interest at 0.8333%* per month or 10%* annual rate.

\* - Rate effective 1/1/2024

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is not readily available in our state, however if it were sold in New Hampshire, it would be taxed at the same rate as gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Any carrier who meets criteria per RSA 260:42 is required to be licensed and file a monthly Motor Fuel and Petroleum Products Transporter's Report (RT 113).

**RSA 260:42 Motor Fuel and Petroleum Products Transporter. –**

I. Every person not registered as a distributor who transports motor fuel or products subject to the fees stipulated in RSA 146-A, to a point or points outside the state from a point or points within the state, to a point or points within the state from a point or points outside the state, or to a point or points within the state from a point or points within the state, every common carrier or contract carrier who transports motor fuel or petroleum products, and every licensed distributor who transports motor fuel or petroleum products exclusive of the carrier's own product shall be licensed with the commissioner as a motor fuel and petroleum products transporter.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

Not applicable, New Hampshire taxes at the Distributor level (last licensee).

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No, road tolls are due upon first sale to a non-licensed person or entity.

**260:46 When Toll Payment is in Default; Procedure.** – If any distributor shall be in default for more than 10 days in the payment of any road tolls, interest or penalties, the department may proceed to collect the same by civil suit.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Not Applicable.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No, the State of New Hampshire does not impose a sales tax on gasoline, clear diesel or dyed diesel.

## **Section 29-What are your bonding requirements for your motor fuel license(s)?**

**260:36 Application for License; Licensing of Distributors. – It shall be unlawful for any person to sell or use motor fuel upon which the road toll imposed and collected under this subdivision has not been paid, unless the person is the holder of a valid license to engage in business as a distributor of motor fuels. To procure a motor fuel distributor license, an application, signed subject to prosecution for unsworn falsification and accompanied by a bond, shall be filed with the department in such form as the commissioner may prescribe. Once approved, the department shall issue a license certificate valid only for the distributor in whose name issued. The license shall be unassignable and shall remain in full force and effect from the date of issuance through June 30 unless cancelled, suspended, or revoked. The license shall be renewable upon completion of an annual application renewal form, provided that the distributor is in good standing with the division. Renewals are effective July 1 through June 30. The department shall make available to each distributor, monthly, a list of current licenses issued under this section.**

### **260:36-d Biodiesel Distributor License. –**

**I. Any person who refines, distills, prepares, blends, manufactures, or purchases biodiesel on which the road toll has not been paid and who is not a licensed and bonded distributor in accordance with RSA 260:36, shall become licensed with the department.**

**II. Any licensee that refines, distills, prepares, blends, manufactures, or purchases more than 10,000 gallons of biodiesel in a monthly period shall be required to file with the department a bond in accordance with RSA 260:37.**

**III. For all non-bonded licensees an annual fee for the license shall be \$25.**

**IV. Each biodiesel distributor licensee shall file a monthly return with the department in accordance with RSA 260:38, I.**

**V. The license shall be unassignable and shall remain in full force and effect on a fiscal year basis from July 1 through June 30 unless cancelled, suspended, or revoked. The license shall be renewable upon completion of an application renewal form, provided that the distributor is in good standing with the division. The department shall furnish each licensee, monthly, a list of current licenses issued under this section.**

**VI. Any person who shall use any biodiesel or biodiesel blend, upon which the road toll has been paid to the state of New Hampshire, shall be entitled to a refund to the extent of the amount paid, if the biodiesel or biodiesel blend was used in any other way than generating power in an internal combustion engine while traveling on the ways, except that no refunds on biodiesel or biodiesel blends shall be paid on biodiesel or biodiesel blends used while idling a registered motor vehicle. All refunds shall be subject to the same conditions as set forth in RSA 260:47.**

### **260:36-e Application for License as an Alternative Fuel Dealer. –**

**I. It shall be unlawful for any person to sell or use alternative fuel upon which the road toll imposed and collected under this subdivision has not been paid, unless the person is the holder of a valid license to engage in business as a dealer of alternative fuels. To procure an**

alternative fuel dealer license, an application, signed subject to prosecution for unsworn falsification and accompanied by a bond, shall be filed with the department in such form as the commissioner may prescribe. Once approved, the department shall issue a license certificate valid only for the dealer in whose name issued. The license shall be unassignable and shall remain in full force and effect from the date of issuance through June 30 unless cancelled, suspended, or revoked. The license shall be renewable upon completion of an annual application renewal form, provided that the dealer is in good standing with the division. Renewals are effective July 1 through June 30.

II. A person who has facilities for placing alternative fuel into the supply system of an internal combustion engine fueled by individual portable containers of 10 gallons or less is not required to be licensed as an alternative fuel dealer, provided that the fuel is only used for exempt purposes.

III. Any person who acts as an alternative fuel dealer and who does not hold a valid license issued under paragraph I shall pay a penalty of \$500 for each month of operation without a license or a penalty of 10 percent of the tax assessed on the total purchases made during the unlicensed period, whichever is greater. This penalty shall immediately accrue and shall bear interest as specified in RSA 260:40-a.

IV. When an alternative fuel dealer license application is filed by a person whose previous license was canceled for cause by the department, or the department believes that such application was not filed in good faith, or is filed by another person as a subterfuge for the actual person in interest whose previous license has been canceled, the department may, if evidence warrants, refuse to issue a license for such an application.

V. An alternative fuel dealer shall:

- (a) Collect and remit road tolls as provided in this subdivision.
- (b) File in the same manner as a distributor in accordance with RSA 260:38.
- (c) Be subject to the same penalty for failure to report or pay road toll in accordance with RSA 260:40.

#### **260:37 Bond Required of Licensed Distributor. –**

I. (a) Every distributor shall file with the department a bond:

- (1) In an amount equal to approximately 2 times the monthly road toll liability of the distributor, but not less than \$10,000, on a form to be approved by the commissioner;
  - (2) With a surety company authorized to engage in business with the state as surety thereon;
  - (3) Upon which such distributor shall be the principal obligor and the state of New Hampshire shall be the obligee;
  - (4) Conditioned upon the prompt filing of true reports and the payment by the distributor of all motor vehicle road tolls which are imposed and which are to be collected under this subdivision, together with all penalties and interests thereon, and generally upon faithful compliance with the provisions of this subdivision.
- (b) Changes in the monthly road toll liability level shall also require the bond amount to be adjusted so as to comply with this section.
- (c) Annually, or sooner, the department shall review the distributor's average liability based on the prior 6 months' road toll returns and, if applicable, notify the distributor of the

**required adjustment in the level of the bond. Failure to comply with the adjustment or to maintain the bond at the required level shall result in the cancellation of the license.**

**II. Any surety on any bond furnished by any distributor as above provided shall be released and discharged from any and all liability accruing on the bond after the expiration of 60 days from the date upon which such surety shall have filed with the commissioner a written request to be released and discharged.**

**III. In lieu of furnishing a bond executed by a surety company, a distributor may deposit with the state treasurer cash or obligations of the United States or obligations of any federal agency fully guaranteed by the United States or bonds of the state of New Hampshire to the amount of the bond required by this section.**

#### **260:37-a Licensed Distributors Exempt from Bond Requirement. –**

**I. A distributor may request a release or reduction of the bond required pursuant to RSA 260:37 if the distributor has complied with all licensing, reporting, and payment requirements of this chapter for the immediately preceding 3 consecutive years, provided that such distributors first provide audited financial statements for the immediately preceding 3 years and have been licensed as distributors in good standing in New Hampshire for the immediately preceding 5 consecutive years. If the commissioner or his or her designee determines that release or reduction of the bond will not unreasonably jeopardize state revenues, the bond shall be released or reduced.**

**II. In the event a distributor exempt under paragraph I fails to remain in compliance with this chapter, the commissioner may reimpose the bond requirement under RSA 260:37 if he or she determines that a material change in circumstances has occurred and that state road toll revenue will be unreasonably jeopardized without imposition of the bond. The commissioner shall notify a distributor of the requirement to obtain a new bond under this paragraph in writing, and shall provide the distributor 30 days to secure a new bond.**

**III. A distributor aggrieved by a decision of the commissioner under paragraph II may appeal the decision pursuant to RSA 260:6.**

#### **260:39 Power to Suspend, Revoke, or Cancel Licenses; Surrender of Bond. –**

**I. (a) If a distributor fails to maintain an active bond, as required by RSA 260:37, or at any time files a false monthly report, or willfully fails, neglects, or refuses to file the monthly report, or to pay the full amount of the road toll as required by this subdivision, the commissioner or his or her designee, after 10 days' written notice by certified mail directed to the last known address appearing on the files of the department:**

**(1) Shall revoke or suspend the distributor's license, effective as of the date of the written notice; and**

**(2) Shall fix a time and place at the department's bureau of hearings, within 10 days of the written notice, where the licensee may appear and show cause why such license should be reinstated. The license shall remain revoked or suspended until a hearing is conducted and a decision is rendered by the hearings examiner.**

**(b) The written notice shall be presumed to have been served, upon return of the certified receipt signed by the licensee, or 3 days after mailing to the last known address on record of the licensee, whichever comes first.**

**(c) Any distributor whose license remains suspended or revoked by the commissioner after a**



hearing may, within 30 days from the date of such decision, appeal to the superior court of Merrimack county.

II. Upon receipt of a written request from any distributor to cancel the license issued to the distributor, the commissioner shall have the power to cancel the license effective 60 days from the date of the receipt of the written request. No license shall be cancelled unless the distributor shall, prior to the date of the cancellation, have paid all road tolls payable, together with all penalties and interest accruing under the provisions of this subdivision and until the distributor shall have surrendered to the commissioner its license certificate. If, upon investigation, the department shall find that any person to whom a license has been issued is no longer engaged in the sale of motor fuel as a distributor, and has not been so engaged for a period of 6 months, the commissioner shall have the power to cancel such license by giving the person 60 days' notice of cancellation mailed to the last known address of the person, in which event the license certificate issued to the person shall be surrendered to the department.

III. In the event that the license of any distributor shall be cancelled by the commissioner as provided, in this section and in the further event that the distributor shall have paid all road tolls due, together with all penalties and interest accruing under any of the provisions of this subdivision, the commissioner shall cancel and surrender the bond, cash, or securities filed by the distributor.

**260:39-a Power to Suspend or Revoke Licenses of Distributors Exempt from Bond Requirement. –**

I. If a distributor that has been granted a released or reduced bond pursuant to RSA 260:37-a files a false monthly report or willfully fails, neglects, or refuses to file a monthly report or pay the full amount of the road toll as required by this subdivision, the commissioner or his or her designee may immediately revoke or suspend the distributor's license.

II. The commissioner shall provide written notification of his or her decision to revoke or suspend the distributor's license. Such notification shall provide a date, time, and place at the department's bureau of hearings where the distributor may appear and show cause as to why the license should be reinstated, provided that the license shall remain revoked or suspended until otherwise ordered by a hearings examiner. Such hearing shall be held within 10 days of the date on the notification of suspension or revocation.

III. The written notification of suspension or revocation shall be presumed to have been served if sent to the last known recorded address of the licensee.

IV. Any distributor whose license remains revoked or suspended after a hearing conducted pursuant to paragraph II may appeal the hearing examiner's decision to the superior court of Merrimack County within 30 days of the date of such decision.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail

- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Motor Fuel & Aviation Fuel Distributor	X	1,2,3,4,5,7,8
Oil Discharge & Pollution Control	X	1,2,7
Motor Fuel & Petroleum Products Transporter		6
Alternative Fuel Dealer	X	4
Biodiesel Fuel Distributor	X	1,2,3,4,5,7,8,9

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, based on New Hampshire's taxation model for road toll, Distributor (last licensee), and environmental fees, First Import, initial reporting is due from the licensed entity that owns the product as it crosses into the State, therefore, sales occurring outside of New Hampshire cannot be charged road toll or environmental fees.

Similarly, to receive road toll and/ or environmental fee export credit, exports must be reported by the New Hampshire licensee that owns the product as it leaves the State. New Hampshire does not require the destination state tax to be collected on product exported from the State, however, we strongly encourage sellers to comply with the destination state's laws, rules, and applicable licensing and reporting requirements.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Not applicable.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amendments are to be filed in the same manner the original return was submitted (paper or electronic). To amend a return, either by paper or electronically, licensees are instructed to only report the information necessary to make the originally filed return correct. If a load was omitted from the original return, then only the information pertaining to the missing load should be filed on the

amendment. If an amendment is necessary to correct gallonage reported on a load(s), then the information for that load(s) should be re-reported with a +/- gallon amount to arrive at the correct gallonage. If an amendment is necessary to correct other, qualitative, information related to a load (i.e. product code, carrier information, etc.), then the licensee should file a reversing entry to back out the original transaction and then a correcting entry with the necessary updated information. If the amendment results in additional taxes being due, and is filed beyond the reporting period due date, then penalty and interest will be applied.

### **Section 34-Does your state allow credit and rebills on the current month report?**

If a credit and rebill pertains to a previously filed monthly return, licensees should not include the credit and rebill in the current month's return, rather they are instructed to amend the respective return.

### **Section 35-How many days are allowed to report late loads?**

New Hampshire does not permit a grace period for reporting late loads. Penalty and interest amounts are identified in Section 22.

#### **260:40 Penalty for Failure to Report or Pay Tolls Promptly. –**

I. When any distributor shall fail to file a monthly report with the department at the time fixed in this subdivision, refuse to submit the data required by RSA 260:38, or fail to pay the amount of road tolls due when they shall be payable, a penalty of 10 percent shall be added to the amount of the road tolls due, or if no road toll is due, a penalty of \$1 per day shall be assessed. Such penalty shall immediately accrue, and thereafter the overdue road tolls and the penalty shall bear interest as specified in RSA 260:40-a.

#### **260:41 May Estimate Motor Fuel; Period of Limitation. –**

III. All road tolls due and unpaid under the provisions of this subdivision shall be assessed within 4 years after such tolls become due.

**260:46 When Toll Payment is in Default; Procedure. –** If any distributor shall be in default for more than 10 days in the payment of any road tolls, interest or penalties, the department may proceed to collect the same by civil suit.

### **Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

**260:43 Retention of Records by Distributors, Special Fuel Users, and Transporters. –** Each distributor, special fuel user, and transporter shall maintain and keep for a period of 4 years such records of motor fuel and petroleum products sold and distributed or otherwise disposed of within this state, together with invoices, bills of lading, and other pertinent records and papers as may be necessary for the reasonable administration of this subdivision.

New Hampshire does not have a statutory requirement specifying data elements to be contained on the BOL/Shipping document and or the Invoice, however, the following elements are necessary to

successfully report a transaction on one or all the returns identified in Section 18:

- Company Name
- License Number
- FEIN
- Schedule Type
- Product Type
- Month
- Year
- Carrier Legal Name
- Carrier FEIN
- Mode Code
- Point of Origin & Destination
- Supplier
- Supplier FEIN
- Purchaser
- Purchaser FEIN
- Date Received
- Date Delivered
- Document Number
- Cross Gallons
- Net Gallons

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

**260:32 Levy of Tolls and Exemptions. –**

.... Provided, that the road toll shall not apply to:

- I. Sales to the United States government for use of the armed forces only.
- II. Sales between duly licensed distributors;
- III. Sale of motor fuel exported from the state;
- IV. Bulk sales from distributors to the state of New Hampshire or its agencies; or
- V. Sales from distributors to any city, town, county, school district, or village district.
- VI. [Repealed.]

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

New Hampshire's statute of limitations to file amendments to remit additional tax is four years from the due date of the originally filed return.

**260:41 May Estimate Motor Fuel; Period of Limitation. –**

- III. All road tolls due and unpaid under the provisions of this subdivision shall be assessed within 4 years after such tolls become due.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

New Hampshire's statute of limitations to refund motor fuel tax is four years from the due date of the originally return filed by the Motor Fuel Distributor.

**260:50 Refund of Tolls Erroneously or Illegally Collected. –**

- I. If the commissioner decides that any road tolls or interest or penalties have been erroneously or illegally collected from any distributor, the distributor shall be entitled to a refund thereof, or the amount may be deducted from any subsequent return.
- II. No refunds or deductions shall be made under the provisions of this section unless a written

statement, signed subject to prosecution for unsworn falsification, setting forth the circumstances shall be filed with the department within 4 years from the date of payment of road tolls illegally or erroneously collected. Errors in making a return may be corrected on any subsequent return with proper explanation.

Any person requesting a refund of the road toll paid on motor fuel purchased in New Hampshire which was used for purposes other than for use in motor vehicles on the ways of this state shall complete and submit the applicable form to the administration per Saf-C 310.01(a)(1-11). The refund application must be submitted in accordance with the filing deadlines specified in RSA 260:47, RSA 260:48, RSA 260:52-b, RSA 260:52-e, and RSA 260:52-g.

**260:47 Refunds. –**

III. Any person who shall be entitled to a refund of the road toll paid shall be reimbursed the amount of the road toll paid subject to the following conditions:

(a)(1)(A) Except as provided in subparagraph (2), all applications for refunds shall be made subject to prosecution for unsworn falsification pursuant to RSA 641:3 and shall be filed with the department:

- i) Annually, no later than April 15 following the end of the calendar year, or
- ii) If, at the close of any quarter of the calendar year at least \$750 is payable in aggregate under these provisions to such person with respect to fuel used during the calendar year, an application may be filed under this subparagraph no later than the close of the subsequent quarter.

**260:48 Retail Dealers. –**

In addition to the provisions of RSA 260:47 any retail dealer shall be entitled to a refund for tolls paid on account of shrinkage or loss by evaporation of motor fuel. The procedure for such refund shall be as follows:

II. All applications for refunds shall be made subject to prosecution for unsworn falsification and shall be made semi-annually within 90 days after June 30 and December 31, respectively.

**260:52-b Refunds to Private School Bus Owners. –**

II. All applications for refunds shall be made under penalty of unsworn falsification pursuant to RSA 641:3, and shall be filed with the department no later than the deadline provided under RSA 260:47, III.

**260:52-e Refunds to Eligible Nonprofit Corporations. –**

II. All applications for refunds shall be made under penalty of unsworn falsification pursuant to RSA 641:3, and shall be filed with the road toll administration no later than the deadline provided under RSA 260:47, III, and the records of such applicants shall be open to audit by the department at any time.

**260:52-g Refunds to Eligible Credit and Fuel Card Issuers. –**

II. All applications for refunds shall be made under penalty of unsworn falsification pursuant to RSA 641:3, and shall be filed with the department no later than the deadline provided under RSA 260:47, III, and the records of such applicants shall be open to audit by the department at any

time.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

New Hampshire allows a Motor Fuel Distributor to obtain a refund of motor fuel tax by filing an amended return.

Any person can request a refund of the road toll paid on motor fuel purchased in New Hampshire which was used for purposes other than for use in motor vehicles on the ways of this state by completing and submitting the applicable form to the administration per Saf-C 309 and 310.01(a)(1-11). All forms are located on the Road Toll website under the Documents & Forms tab.

**Section 41- Does your state accept electronic BOLs?**

New Hampshire would accept a printed BOL or a PDF version of the printed BOL as long as it appears authentic and unaltered.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

New Hampshire requires the date received to be reported on receipt schedules, requires the date delivered to be reported on disbursement schedules, and requires the date delivered to be reported on delivery schedules.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes, templates of returns and schedules are located on the Road Toll website under the Documents & Forms tab. Instructions are incorporated into each return.  
<https://www.nh.gov/safety/divisions/administration/roadtoll/forms.html>

# STATE OF NEW JERSEY

## **Section 1-Contact Information**

**Agency:** Division of Taxation

**Name:** Mike Palombo

**Street Address:** 50 Barrack St.

**City, State Zip Code:** Trenton, NJ 08695

**Phone Number:** 609-322-6787

**Fax Number:** 609-292-2863

**E-mail Address:** Michael.Palombo@treas.nj.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

54:39-101 et.al

## **Section 3-State Point of Taxation**

**Gasoline:** Terminal

**Diesel:** Terminal

**Aviation Fuel:** When sold to a reseller that isn't an Aviation Fuel Dealer or isn't a Supplier, or to the end user (aircraft).

**Jet Fuel:** When sold to a reseller that isn't an Aviation Fuel Dealer or isn't a Supplier, or to the end user (aircraft).

**PGRT:** First sale in NJ.

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-:

Point of

Taxation:

**MFT: N.J.S.A. 54:39-104**

The tax imposed on the use of motor fuel and aviation fuel shall be measured by invoiced gallons of fuel removed, other than by a bulk transfer, from the terminal transfer system within New Jersey, from the terminal transfer system outside New Jersey for delivery to a location in New Jersey as represented on the shipping papers, provided that the supplier imports the motor fuel or aviation fuel for the account of the supplier, or the supplier has made a tax precollection election, and upon sale in a terminal or refinery in New Jersey to a person not holding a supplier's or permissive supplier's license.

**PGRT: 54:15B-3 Petroleum products tax.**

3. a. (1) (a) There is imposed on each company which is engaged in the refining or distribution, or both, of petroleum products other than highway fuel and aviation fuel and which distributes such products in this State a tax at the rate of seven percent of its gross receipts derived from the first sale of petroleum products within this State and there is imposed on each company which is engaged in the refining or distribution, or both, of highway fuel a tax at the rate of 12.85 percent, as adjusted pursuant to subsection c. of this section, of its gross receipts derived from the first sale of those products within this State.

(b) The applicable tax rate for gasoline, blended fuel that contains gasoline or is intended for use as gasoline, and liquefied petroleum gas, which are taxed as a highway fuel pursuant to subparagraph (a) of this paragraph, shall be converted to a cents-per-gallon rate, rounded to the nearest tenth of a cent, and adjusted quarterly by the director, effective on July 1, October 1, January 1, and April 1, based on the average retail price per gallon of unleaded regular gasoline in the State, as determined in the most recent survey of the retail price per gallon of gasoline that includes a Statewide representative random sample conducted by the Board of Public Utilities, Office of the Economist, or its successor.

(c) The cents-per-gallon rate determined pursuant to subparagraph (b) of this paragraph shall not be less than the rate determined for the average retail price per gallon of unleaded gasoline in the State on July 1, 2016.

(d) The applicable tax rate for diesel fuel, blended fuel that contains diesel fuel or is intended for use as diesel fuel, and kerosene, other than aviation grade kerosene, which are taxed as a highway fuel pursuant to subparagraph (a) of this paragraph, shall be converted to a cents-per-gallon rate, rounded to the nearest tenth of a cent, and adjusted quarterly by the



director, effective on July 1, October 1, January 1, and April 1, based on the average retail price per gallon of number 2 diesel in the State, as determined in the most recent survey of retail diesel fuel prices that includes a Statewide representative random sample conducted by the Board of Public Utilities, Office of the Economist, or its successor.

Notwithstanding the provisions of subparagraph (a) of this paragraph to the contrary, for the period from the 2016 implementation date through December 31, 2016, no rate of tax shall be applied to diesel fuel, blended fuel that contains diesel fuel or is intended for use as diesel fuel, or kerosene, other than aviation grade kerosene; for the period from January 1, 2017 through June 30, 2017, the applicable rate for those fuels shall be 70 percent of the rate otherwise determined pursuant to subparagraph (a) of this paragraph, and for July 1, 2017 and thereafter the applicable rate for those fuels determined pursuant to subparagraph (a) of this paragraph.

(e) The cents-per-gallon rate determined pursuant to subparagraph (d) of this paragraph shall not be less than the rate determined for the average retail price per gallon of number 2 diesel in the State on July 1, 2016.

(f) The applicable tax rate for fuel oil determined pursuant to subparagraph (a) of this paragraph shall be converted to a cents-per-gallon rate, rounded to the nearest tenth of a cent, and adjusted quarterly by the director, effective on July 1, October 1, January 1, and April 1, to reflect the average price per gallon, without State or federal tax included, of retail sales of number 2 fuel oil in the State, as determined in the most recent survey of retail diesel fuel prices that included a Statewide representative random sample conducted by the Board of Public Utilities, Office of the Economist, or its successor.

(g) The cents-per-gallon rate determined pursuant to subparagraph (f) of this paragraph shall not be less than the rate determined for the average price per gallon, without State or federal tax included, of retail sales of number 2 fuel oil in the State on July 1, 2016.

(h) On and after the 10th day following a certification by the review council pursuant to subsection c. of section 19 of P.L.2016, c.57 (C.52:18A-257), no tax shall be imposed pursuant to this paragraph.

(2) (a) In addition to the tax, if any, imposed by paragraph (1) of this subsection, a cents-per-gallon tax is imposed on each company's gross receipts derived from the first sale of petroleum products within this State on gasoline, blended fuel that contains gasoline or that is intended for use as gasoline, liquefied petroleum gas, and aviation fuel at the rate of four cents per gallon; and

(b) In addition to the tax, if any, imposed by paragraph (1) of this subsection, a cents-per-gallon tax is imposed on each company's gross receipts derived from the first sale of petroleum products within this State on diesel fuel, blended fuel that contains diesel fuel or is intended for use as diesel fuel, and kerosene, other than aviation grade kerosene, at the rate of four cents per gallon before July 1, 2017 and at the rate of eight cents per gallon on and after July 1, 2017.

b. There is imposed on each company that imports or causes to be imported, other than by a company subject to and having paid the tax on those imported petroleum products that have generated gross receipts taxable under subsection a. of this section, petroleum products for use or consumption by it within this State a tax at the rate or rates, determined pursuant to subsection a. of this section, on the consideration given or contracted to be given and the gallonage for such petroleum products if the consideration given or contracted to be given for all such deliveries made during a quarterly period exceeds \$5,000.

c. (1) For State fiscal years 2018 through 2026, the rate of tax imposed on highway fuel pursuant to subsection a. of this section shall be adjusted annually so that the total revenue derived from highway fuel shall not exceed the highway fuel cap amount.

c. (1) For State fiscal years 2018 through 2026, the rate of tax imposed on highway fuel pursuant to subsection a. of this section shall be adjusted annually so that the total revenue derived from highway fuel shall not exceed the highway fuel cap amount.

(2) The State Treasurer shall, on or before December 31, 2016, determine the highway fuel cap amount as the sum of:

(a) the taxes collected for State Fiscal Year 2016 pursuant to paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010, c.22 (C.54:39-103) on highway fuel,

(b) the amount derived from taxing the gallonage of highway fuel subject to motor fuel tax in State Fiscal Year 2016 at the rate of four cents per gallon, and

(c) the amount that would have been derived from taxing the gallonage of highway fuel subject to motor fuel tax in State Fiscal Year 2016 at the rate of 23 cents per gallon.

(3) On or before August 15 of each State Fiscal Year following State Fiscal Year 2017, the State Treasurer and the Legislative Budget and Finance Officer shall determine the total revenue derived from:

(a) the taxes collected for the prior State Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010, c.22 (C.54:39-103) on highway fuel,

(b) the revenue that would be derived from imposing the tax pursuant to paragraph (2) of subsection a. of this section on highway fuel at the rate of four cents per gallon, and

(c) the revenue derived from the taxation of highway fuel pursuant to paragraph (1) of subsection a. of this section.

(4) Upon consideration of the result of the determination pursuant to paragraph (3) of this subsection, and consultation with the Legislative Budget and Finance Officer, the State Treasurer shall determine the rate of tax to be imposed on highway fuel pursuant to subsection a. of this section that will result in revenue from:

(a) the taxes collected on highway fuel for the current State Fiscal Year pursuant to paragraphs (1) and (2) of subsection a. of section 3 of P.L.2010, c.22 (C.54:39-103),

(b) the revenue derived from the tax imposed pursuant to paragraph (2) of subsection a. of this section on highway fuel at the rate of four cents per gallon for the current State Fiscal Year, and

(c) the revenue derived from the taxation of highway fuel pursuant to paragraph (1) of subsection a. of this section equaling the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, as adjusted pursuant to paragraph (5) of this subsection; and that rate shall take effect on October 1 of that year.

(5) If the actual revenue determined pursuant to paragraph (3) of this subsection exceeds the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, then the highway fuel cap amount for the succeeding year shall be decreased by the amount of the excess in setting the rate pursuant to paragraph (4) of this subsection. If the actual revenue determined pursuant to paragraph (3) of this subsection is less than the highway fuel cap amount determined pursuant to paragraph (2) of this subsection, then the highway fuel cap amount for the succeeding year shall be increased by the amount of the shortfall in setting the rate pursuant to paragraph (4) of this subsection.

### **Section 5-State Tax Rates**

**Gasoline:** 10.5 cents per gallon plus a changing rate per gallon PGRT

**Diesel:** 13.5 cents per gallon plus a changing rate per gallon PGRT

**Aviation Fuel:** .04 cents per gallon PGRT plus .02 cents per gallon Airport Safety Tax (plus 10.5 cents per gallon if sold to a reseller that isn't an aviation fuel dealer)

**Jet Fuel:** .04 cents per gallon PGRT plus .02 cents per gallon Airport Safety Tax (plus 13.5 cents per gallon if sold to a reseller that isn't an aviation fuel dealer)

**PGRT:** Subject to changes on a quarterly basis.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Billed gallons:

#### **54:39-104 — Measurement by invoiced gallons of fuel removed.**

a. The tax imposed by section 3 of P.L.2010, c.22 (C.54:39-103) on the use of motor fuel and aviation fuel shall be measured by invoiced gallons of fuel removed, other than by a bulk transfer:

### **Section 6- What are the fees and rates associated on reportable products**

**(i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

N.J.S.A. 58:10-23.11

The Spill Compensation and Control Act

The Spill Compensation and Control Tax rate is \$0.023 per barrel tax on the first transfer of petroleum products.

**Section 7-Rate Updates**

**Please list any rate updates for your state:**

MFT: None.

PGRT:

Start Date	End Date	Gasoline & LPG	Diesel	Fuel Oil	Aviation Fuel	Other
Jul. 1, 2024	Sep. 30, 2024	\$0.318 per gal.	\$0.358 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Apr. 1, 2024	Jun. 30, 2024	\$0.318 per gal.	\$0.358 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jan. 1, 2024	Mar. 31, 2024	\$0.318 per gal.	\$0.358 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
<a href="#">Oct. 1, 2023</a>	Dec. 31, 2023	\$0.318 per gal.	\$0.358 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jul. 1, 2023	Sep. 30, 2023	\$0.309 per gal.	\$0.349 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Apr. 1, 2023	Jun. 30, 2023	\$0.309 per gal.	\$0.349 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jan. 1, 2023	Mar. 31, 2023	\$0.309 per gal.	\$0.349 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
<a href="#">Oct. 1, 2022</a>	Dec. 31, 2022	\$0.309 per gal.	\$0.349 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jul. 1, 2022	Sep. 30, 2022	\$0.319 per gal.	\$0.359 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Apr. 1, 2022	Jun. 30, 2022	\$0.319 per gal.	\$0.359 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jan. 1, 2022	Mar. 31, 2022	\$0.319 per gal.	\$0.359 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
<a href="#">Oct. 1, 2021</a>	Dec. 31, 2021	\$0.319 per gal.	\$0.359 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jul. 1, 2021	Sep. 30, 2021	\$0.402 per gal.	\$0.442 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Apr. 1, 2021	Jun. 30, 2021	\$0.402 per gal.	\$0.442 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jan. 1, 2021	Mar. 31, 2021	\$0.402 per gal.	\$0.442 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Oct. 1, 2020	Dec. 31, 2020	\$0.402 per gal.	\$0.442 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jul. 1, 2020	Sep. 30, 2020	\$0.309 per gal.	\$0.35 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Apr. 1, 2020	Jun. 30, 2020	\$0.309 per gal.	\$0.35 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jan. 1, 2020	Mar. 31, 2020	\$0.309 per gal.	\$0.35 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Oct. 1, 2019	Dec. 31, 2019	\$0.309 per gal.	\$0.35 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts
Jul. 1, 2019	Sep. 30, 2019	\$0.309 per gal.	\$0.35 per gal.	\$0.124 per gal.	\$0.04 per gal.	7% of Gross Receipts

## **Section 8-State Collection Allowance**

None

## **Section 9-State Diversion Requirements**

**Diversion Required** No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?** Fueltrac

**What products are subject to the diversion requirement?** Motor

fuels **Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Whichever party diverts the fuel.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

No rebilling or credit is required.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** No

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

### **High Occupancy Vehicle (HOV) Lane Exemption**

New Jersey Turnpike Authority (NJTA) allows hybrid electric vehicles (HEVs) and alternative fuel vehicles (AFVs) to travel in the HOV lanes on the New Jersey Turnpike. Permitted AFVs must operate on electricity, methanol, ethanol, natural gas, liquefied petroleum gas, hydrogen, coal derived liquid fuels, or fuels derived from biological materials. Any other federally approved AFVs are also permitted to utilize the NJTA's HOV lanes. For a complete list of eligible HEVs see the [New Jersey Turnpike Authority](#) Web site.

### **Zero Emissions Vehicle (ZEV) Tax Exemption**

ZEVs sold, rented, or leased in New Jersey are exempt from state sales and use tax. This exemption is not applicable to partial zero emission vehicles, including hybrid electric vehicles. For a list of qualifying ZEVs, see the [New Jersey Department of the Treasury](#) Web site. (Reference [New Jersey Statutes](#) 54:32B-8.55)

### **Idle Reduction Technology Grant**

The New Jersey Trucker's Challenge, established by the New Jersey Department of Environmental Protection, provides funding for the purchase or installation of idle reduction

equipment used in New Jersey-based heavy-duty diesel trucks. Eligible equipment includes auxiliary power units (APUs), bunk heaters and tailpipe emissions controls such as diesel particulate filters (DPF) and diesel oxidation catalysts (DOC). The reimbursement amounts may include the purchase and installation costs and are as follows:

<b>Device(s)</b>	<b>Cost Coverage</b>	<b>Funding Ceiling</b>
APU	50%	\$4,500
Bunk Heater	50%	\$750
DPF or DOC and APU or Bunk Heater	100% of APU or bunk heater	\$17,000 for DPF or DOC

The initial funding for this program was provided by the State of New Jersey and the U.S. Environmental Protection Agency. The program is administered by the New Jersey Motor Truck Association (NJMTA). For more information on the Trucker's Challenge, see the [NJMTA](#) Web site.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.135/gallon	B100 is taxable	Subject to the Petroleum Products Gross Receipts Tax	\$0.105/gallon	Ethanol is taxable	Subject to the Petroleum Products Gross Receipts Tax

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
Biodiesel is taxed as a fuel and is subject to all licensing requirements.	Ethanol is taxed as a fuel and subject to all licensing requirements.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Not subject to motor fuels tax.	
<b>E85</b>	Yes	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Not subject to motor fuels tax	
<b>Gasoline Hybrid Vehicles</b>	Yes	<b>Not Applicable</b>
<b>Hydrogen</b>	Not subject to motor fuels tax	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Not subject to motor fuels tax	
<b>LPG (Liquefied Petroleum Gas)</b>	Yes	
<b>Methanol or “M85”</b>	Yes	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstocks are not taxable under the MFT. They are taxed under the PGRT if they are petroleum products.

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>

**Section 16-How does your state handle contaminated fuel?**

N.J.S.A. 54:31-112 b. (6) - Motor fuel on which tax has been paid that is later contaminated in a manner making it unsuitable for taxable use is eligible for a refund or credit. The refund or credit is limited to the remaining portion of taxed fuel in the contaminated mixture and is conditioned upon submitting to the director adequate documentation that the contaminated mixture was subsequently used in an exempt manner.

### **Section 17-Does your state allow bad debt credits?**

Pursuant to N.J.S.A. 54:39-121, Qualified Distributors may delay remittance of the tax to their Suppliers until the 20th day of the month following the taxable event. The Supplier must remit to the State the tax due on the 22<sup>nd</sup> day of the month following the event. For a Supplier to be eligible for the credit the Supplier shall provide within 20 business days of the date they were entitled to collect the tax notice to the State of a failure of the Distributor to remit the tax. A Supplier is allowed a credit against their tax payable in the amount of tax liability owed by that Distributor. This includes taxes remitted by the Supplier and not collected from the Distributor. This also includes the amount of tax payable accrued on sales between the date the tax should have been remitted to the Supplier and the date the Supplier notified the State of the default. The Supplier may only take this credit once per Distributor, unless the State notifies the Supplier that the Distributor is qualified once again to make deferred payments of tax.

Pursuant to N.J.S.A 54:39-137a, a distributor shall be allowed a credit of the Motor Fuel Tax and it should be applied on the report for the period which the bad debt is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. This credit is only available to fuel sold on or after February 1, 2017. However, if the credit allowed is taken and the debt is subsequently collected in whole or in part, any amount collected shall be considered payment for motor fuel, motor fuel tax, and any associated service charges on the account and the portion of the amount collected that constitutes motor fuel tax shall be paid and reported on the report filed for the period in which the collection is made.

Pursuant to N.J.S.A. 54:15B-14, Motor Fuel Tax distributors and holders of a valid Direct Payment Permit for the Petroleum Products Gross Receipts Tax shall be allowed a refund of the Petroleum Products Gross Receipts Tax. Permit holders may also take a deduction on their Petroleum Products Gross Receipts Tax Returns, and the deduction should be applied on the report for the period which the bad debt is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. This refund or deduction is only available to fuel sold on or after February 1, 2017. However, if the refund or deduction allowed is taken and the debt is subsequently collected in whole or in part, any amount collected shall be considered payment for motor fuel, petroleum products gross receipts tax, and any associated service charges reflected on the account, and the proportion of the amount collected that is petroleum products gross receipts tax shall be paid and reported on the report filed for the period in which the collection is made.

### **Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Supplier of Motor Fuels	22 <sup>nd</sup> of the month	22 <sup>nd</sup> of the month
Distributor of Motor Fuels	22 <sup>nd</sup> of the month	22 <sup>nd</sup> of the month
Combined Motor Fuels Tax Return	22 <sup>nd</sup> of the month	22 <sup>nd</sup> of the month
PGRT	25 <sup>th</sup> of the month	25 <sup>th</sup> of the month



**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked date if mailed on time and the received date is used if mailed late.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

No returns are filed electronically.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Supplier of Motor Fuels	\$100 per month plus 5% per month up to 25% of the tax due.	5%
Distributor of Motor Fuels	\$100 per month plus 5% per month up to 25% of the tax due.	5%
Combined Motor Fuels Tax Return	\$100 per month plus 5% per month up to 25% of the tax due.	5%
PGRT	\$100 per month plus 5% per month up to 25% of the tax due.	5%

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated and taxed as gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, transporters reports are required. Anyone hauling, transporting or delivering fuel must file.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

The entity selling the fuel over the terminal rack must be licensed and is responsible for the tax.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Distributors that elect to become Qualified Distributors can delay their remittance of the MFT to their Supplier till two business days before the Supplier must remit the tax to the State.

**54:39-116 Responsibility for precollection for fuel imported from another state.**

Except as otherwise provided by the "Motor Fuel Tax Act," P.L.2010, c.22 (C.54:39-101 et seq.), the tax imposed by section 3 of P.L.2010, c.22 (C.54:39-103) on fuel imported from another state shall be precollected on behalf of the consumers and remitted to the director by the:

- a. Importer who has imported the nonexempt fuel. The precollection shall be made and remitted when the tax return is due. If the importer was not subject to a precollection agreement with the supplier or permissive supplier, the precollection shall be remitted in the manner specified by the director; or
- b. Importer who has imported the nonexempt fuel which is subject to a precollection agreement with the supplier or permissive supplier. If the importer is a licensed distributor, the precollection shall be made and remitted to the supplier or permissive supplier no later than two business days prior to the date on which the tax is required to be remitted by the supplier or permissive supplier pursuant to section 19 of P.L.2010, c.22 (C.54:39-119). The importer shall remit the tax to the supplier or permissive supplier, acting as trustee who shall remit to the director on behalf of the distributor under the same terms as a supplier payment pursuant to section 19 of P.L.2010, c.22 (C.54:39-119); or

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

These are unaffected by the MFT deferral.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change?**  
**Is tax imposed on volume or value and when is it collected?**

New Jersey does not impose a sales tax on gasoline, clear diesel, or dyed diesel.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

N.J.S.A. 54:39-130

A supplier or a permissive supplier shall be required to post a bond of not less than three months' potential tax liability based on the number of taxable gallons handled as estimated by the director, but in no event shall the bond be less than \$25,000 or more than \$2,000,000. An applicant who is a "publicly traded corporation," as that term is defined by section 39 of P.L.1977, c.110 (C.5:12-39) and has assets within the State having a book value of \$5 million or more may, at the discretion of the director, be exempted from having to post a bond under this section.

N.J.S.A.54:39-131

A terminal operator shall be required to post a bond of not less than three months' potential tax liability based on the number of gallons handled as estimated by the director.

N.J.S.A. 54:39-134

A distributor shall post a bond of not less than three months' total liability for the tax imposed by section 3 of P.L.2010, c.22 (C.54:39-103), based on the number of gallons handled as estimated by the director for gasoline and diesel fuel separately. The tax on fuel exported from this State by a licensed distributor shall not be considered part of potential liability for calculation of the bond required of a distributor's licensee.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1 through 10
Terminal Operator	X	7
Distributor	X	1,2,3

Retail Dealer	X	4
Transporter		6

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

New Jersey does not require the seller to collect both the origin and destination taxes.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Yes.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

By paper and the entire return should be amended, but only the schedules that changed should be amended.

**Section 34-Does your state allow credit and rebills on the current month report?**

We allow credits and rebills, but not for diversions.

**Section 35-How many days are allowed to report late loads?**

Statutes do not allow for the reporting of late loads.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

§ 18:18-4.3 Invoice on sales

1. The date of sale and delivery;
  2. The kind and grade of the product;
  3. The number of gallons sold;
  4. The names and addresses of the seller and purchaser and the unit price per gallon.
- (b) In the case of sales of kerosene by retail dealers, the dealer may maintain a daily log of sales transactions in lieu of issuing invoices to customers.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

54:39-112 Exemptions from tax.

- ultimate vendor blocked bump in regard to kerosene
- United States or any agency or instrumentality thereof, and to the State of New Jersey and its political subdivisions, departments and agencies
- aviation fuel dealers in regard to aviation fuel

PGRT:

54:15B-2 Definitions.

- non profits (with stipulations): nonprofit entities qualifying under subsection (b) of section 9 of P.L.1966, c.30 (C.54:32B-9) as evidenced by an invoice in form prescribed by subsection b. of section 3 of P.L.1991, c.19 (C.54:15B-10); pursuant to a written contract extending one year or longer
- governmental entities qualifying under subsection (a) of section 9 of P.L.1966, c.30 (C.54:32B-9) as evidenced by an invoice in form prescribed by subsection b. of section 3 of P.L.1991, c.19 (C.54:15B-10);

54:15B-2.2. Definitions; phase out of petroleum products gross receipts tax

- utility, a co-generation facility or a wholesale generation facility (partially)
- 54:15B-5. Gross receipts; credit against petroleum products tax
- United States government, or to any of its departments, agencies or instrumentalities

54:15B-12. Recognition as licensed company, direct payment of taxes

- Direct Payment Permit holders (temporary – they buy exempt, then collect on taxable sales/use)

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

There is no statutory time limit.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

- 4 years for suppliers, distributors, and retail dealers
- 6 months for consumers

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

- suppliers: both
- distributors: amended return
- retail dealers: both (if they file returns – some retailers aren't required to file)
- consumers: specific form

**Section 41- Does your state accept electronic BOLs?**

Yes

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

BOL date

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

# STATE OF NEW MEXICO

## **Section 1-Contact Information**

**Agency:** New Mexico Taxation & Revenue Department

**Name:** Laura Lujan

**Street Address:** 1200 S St Francis Drive or PO Box 630

**City, State Zip Code:** Santa Fe, NM 87504-0630

**Phone Number:** 505-231-6175

**Fax Number:** 505-827-9801

**E-mail Address:** laura.lujan1@tax.nm.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

**[www.tax.newmexico.gov](http://www.tax.newmexico.gov)**

Gasoline Tax Act – Article 13

Special Fuels Supplier Tax Act – Article 16A

Petroleum Products Loading Fee – Article 13A

Alternative Fuel Tax – Article 16B

## **Section 3-State Point of Taxation**

**Gasoline:** 1<sup>st</sup> receiver at a New Mexico rack, upon importation may be passed once to a registered NM distributor

**Diesel:** 1st receiver in New Mexico at the rack and upon importation

**Aviation Fuel:** Distributor and end user refunds

**Jet Fuel:** Gross receipts

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver:** A first receiver is “...a refiner, an owner of stored gasoline, a person who for purposes of Subsection C of Section 7-13-2.1 NMSA 1978 blends gasoline with other

substances, an owner of gasoline immediately after the gasoline is transported off a tribe's territory or an importer;" See Subsection (B) of Regulation 3.16.1.7 NMAC.

See Regulation 3.16.101.8 NMAC for an explanation of special fuel "received" in the first instance.

Point of Taxation:

See NMSA 1978, § 7-13-2.1 and Regulation 3.16.3.8 NMAC

See NMSA 1978, § 7-16A-2.1 and Regulation 3.16.101.8 NMAC

### **Section 5-State Tax Rates**

**Gasoline:** \$0.17 per gallon

**Diesel:** \$0.21 per gallon

**Aviation Fuel:** \$0.17 per gallon – refund end user minus compensating tax

**Jet Fuel:** Gross receipts taxable with a 40% deduction

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

New Mexico calculates tax based on net or gross gallons. Taxpayers must consistently report either net or gross gallons. Approval must be obtained to change the net or gross method of reporting.

See Combined Fuel Tax Report instructions at the following website:

<https://www.tax.newmexico.gov/>

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

See Petroleum Products Loading Fee – Article 13A

The Petroleum Products Loading Fee (PPLF) is currently \$0.01875 per gallon.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:** N/A

### **Section 8-State Collection Allowance**

N/A



## **Section 9-State Diversion Requirements**

### **Diversion Required**

The taxpayer should not report the diversion on the Combined Fuel Tax return. Request a refund.

### **If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

New Mexico does not supply diversion numbers.

### **What diversion registry program do you use?**

N/A

### **What products are subject to the diversion requirement?**

All motor fuels reportable on the New Mexico Combined Fuel Tax return.

### **Diversion Requirements**

### **What party should apply for the refund if applicable? (Supplier, customer, etc)**

The taxpayer liable for the excise tax is eligible to apply for a refund.

### **Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

N/A

### **If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**Any Additional Comments?** Required documentation for a diversion refund is determined on a case by case basis

## **Section 10-Alternative Fuels Incentives and Laws**

New Mexico is the proud home of the Land of Enchantment Clean Cities Coalition. Coordinator contact information is listed in the Points of Contact section.

### **State Incentives**

#### **Alternative Fuel Vehicle Research and Development Tax Credit**

The Alternative Energy Product Manufacturers Tax Credit provides a credit against gross receipts tax and compensating tax for manufacturing alternative energy products, which include hydrogen and fuel cell systems and advanced energy vehicles. The credit is limited to 5% of qualifying expenditures, and manufacturers must fulfill job creation requirements to be eligible. (Alternative Energy Product Manufacturers Tax Credit Act- Article 9J)

#### **Biofuels Tax**

Under the Gross Receipts and Compensating Tax Act, the value of biomass materials used for

processing into biofuels, biopower, or bio-based products may be deducted in computing the compensating tax due. Biofuels include biomass converted to liquid or gaseous fuels such as ethanol, methanol, methane, and hydrogen. (Reference NMSA 1978, § 7-9-98)

### **Hydrogen and Fuel Cell Development**

The Hydrogen and Fuel Cell Technologies Development Program was established to foster the development of hydrogen and fuel cell-related commercialization and economic development in the state. The program shall include the following activities:

- (1) Establish a public-private partnership between the state, national laboratories, nonprofit organizations and the hydrogen and fuel cell technologies industry sector to provide guidance and support for hydrogen and fuel cell initiatives;
- (2) Support activities to adopt uniform hydrogen safety codes and standards and provide education and training to communicate these codes and standards to the appropriate fire and regulatory entities;
- (3) Develop demonstration projects by pursuing federal funds and other available funds to augment state resources, advance public education about hydrogen and fuel cell technology and build the necessary infrastructure to support commercial use and adoption of hydrogen and fuel cell technologies; and
- (4) Coordinate and supporting research and education activities in hydrogen and fuel cells between state universities and federally funded research and development organizations in the state to promote closer cooperation and advance the state's overall capabilities and programs in hydrogen and fuel cell technologies. (Reference NMSA 1978, § 71-7-7)

### **Alternative Fuel Vehicle (AFV) and Refueling Infrastructure Grants**

The Energy Conservation and Management Division of Energy, Minerals, and Natural Resources Department (EMNRD) provides grants on a competitive basis to eligible applicants to support alternative fuel activities including the purchase AFVs, infrastructure development, alternative fuel training, or related activities in New Mexico. Eligible applicants must submit proposals within specified dates as determined by EMNRD. If a proposal is selected for funding, the applicant will be required to enter into a professional-service agreement or governmental-service agreement with EMNRD. Funds are available on an annual basis; this program is supported by federal funding.

In addition, the Advanced Energy Technologies Economic Development Act was established to provide funding to stimulate the market for, and promote the statewide utilization of, advanced energy technologies; it also provides for a targeted program that advances the creation of a hydrogen and fuel cell industry cluster. The Clean Energy Grants Program provides state grants for projects utilizing clean energy technologies and providing clean energy education, technical assistance, and training programs. Qualifying entities are municipalities and county governments, state agencies, state universities, public schools, post-secondary educational institutions, and Indian nations, tribes and pueblos. No single entity is eligible to receive more than \$100,000. (Reference NMSA 1978, § 71-7-1 thru NMSA 1978, § 71-7-7)

### **Alternative Fuels Tax**

See Alternative Fuel Tax – Article 16B

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100, B99</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.21/gallon	B100, B99 is taxable	Subject to the Load Fee .01875/gallon	\$0.17/gallon	Ethanol when blended is taxable	If blended is also subject to the Load Fee .01875/gallon

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100, B99 is taxed as a motor fuel at \$0.21/gallon and the Petroleum Products Loading Fee of \$.01875/gallon. Imposition of tax is upon import and 1 <sup>st</sup> receiver at a New Mexico terminal.	Ethanol is not taxed until blended. The blended product is taxed at the gasoline rate of \$0.17/gallon and the Petroleum Products Loading Fee of \$.01875/gallon. E00 can be imported is subject to gross receipts tax rules.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	.133 per gallon	
<b>E85</b>	Same as Gasoline	Not Applicable
<b>Electric Vehicles/Electricity</b>		
<b>Gasoline Hybrid Vehicles</b>	.17 per gallon	Not Applicable
<b>Hydrogen</b>		Not Applicable
<b>LNG (Liquefied Natural Gas)</b>	.206 per gallon	
<b>LPG (Liquefied Petroleum Gas)</b>	.12 per gallon	
<b>Methanol or “M85”</b>		Not Applicable
<b>Other</b>		Not Applicable

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

N/A

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
See Section 11		

**Section 16-How does your state handle contaminated fuel?**

Apply for a refund for motor fuel rendered unusable due to alteration. Notify the department of the destruction of the fuel within (30) days of the actual destruction and apply for the refund within (6) months of the date of the destruction. See NMSA 1978, § 7-13-11 and NMSA 1978, § 7-16A-13.

**Section 17-Does your state allow bad debt credits?**

N/A

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Combined Fuel Tax (CFT)	On or before the 25 <sup>th</sup> day of the month following the end of the report period  NMSA 1978, § 7-13-5 NMSA 1978, § 7-16A-9	With or prior to filing of the return  NMSA 1978, § 7-13-5 and NMSA 1978, § 7-1-13.1 NMSA 1978, § 7-16A-9
Rack Operator report	On or before the 25 <sup>th</sup> day of the month following the end of the report period  NMSA 1978, § 7-13-6.2 NMSA 1978, § 7-16A-9.3	Information Only
Fuel Retailer report	On or before the 25 <sup>th</sup> day of the month following the end of the report period  NMSA 1978, § 7-13-6.1 NMSA 1978, § 7-16A-9.1	Information Only

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Returns are timely if the postmark on the envelope made by the United States postal service bears the date on or before the last date prescribed for filing the return. See Paragraph (1) of Subsection (C) of Regulation 3.1.4.10 NMAC.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Returns required to be given by electronic transmission, are timely if the return is electronically transmitted to the department and accepted on or before the last date prescribed for filing the return. See Paragraph (1) of Subsection (B) of Regulation 3.1.4.10 NMAC.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The reports and payments shall be considered timely if it is performed on the next succeeding day which is not a Saturday, Sunday or a legal state or national holiday.  
See NMSA 1978, § 7-1-77

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Combined Fuel Tax (CFT)	Greater of \$5.00 or 2% per month or partial month to a maximum of 20% on the tax liability established in the late filed return.  See NMSA 1978, § 7-1-69	Greater of \$5.00 or 2% per month or partial month to a maximum of 20% on the unpaid principal of tax due.  See NMSA 1978, § 7-1-69
Rack Operator report	\$50.00 See NMSA 1978, § 7-1-69.1	Information Only
Fuel Retailer report	\$50.00 See NMSA 1978, § 7-1-69.1	Information Only

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is taxed at the gasoline excise tax rate of \$0.17 per gallon.

All ethanol blended products are taxed at the gasoline rate of \$0.17 per gallon and the Petroleum Products Loading Fee of \$.01875 per gallon.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

See NMSA 1978, § 7-13-2.1 and NMSA 1978, § 7-16A-2.1

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Gasoline and clear diesel are exempt from gross receipts tax if tax has been imposed by NMSA 1978, § 7-13-3 and NMSA 1978, § 7-16A-3. See NMSA 1978, § 7-9-26.

Dyed diesel is subject to New Mexico gross receipts tax and not the special fuel excise tax. See Subsection (A) of Regulation 3.16.102.9 NMAC and Gross Receipts and Compensating Tax – Article 9

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

New Mexico requires every registered distributor and every registered supplier to obtain an original surety form or cash bond – At least two times the amount of the Department's estimate of the taxpayer's monthly tax but shall never be less than \$1,000

See NMSA 1978, § 7-13-3.5 and NMSA 1978, § 7-16A-15

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Rack Operator		5, 8, 9, 10
Distributor	X	1, 2, 3, 4, 8
Supplier	X	1, 2, 3, 4, 8
Fuel Retailer		4

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns can be filed electronically or by paper. The entire return must be amended.

**Section 34-Does your state allow credit and rebills on the current month report?**

File an amended return

**Section 35-How many days are allowed to report late loads?**

All loads received in a given month are required to be reported and taxes paid by the end of the following month. If a load is left off of a return, the taxpayer should file an amended return for that period. Do not include prior period receipt transactions on the current return.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

See NMSA 1978, §7-13-12 and Subsection (A) of Regulation 3.16.12.8 NMAC

See NMSA 1978, §7-16A-5.1

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

Gasoline deductions – Gasoline received in New Mexico sold to the United States or an agency or instrumentality thereof for the exclusive use of the United States or an agency or instrumentality thereof (See NMSA 1978, §7-13-4 (B)). Purchase of gasoline for the exclusive use of tribe (See NMSA 1978, §7-13-4 (C)). Gasoline sold to a Registered Indian Tribal Distributor for sale at retail on their own land (See NMSA 1978, §7-13-4 (E)).

Special Fuel deductions - Special fuel sold to the United States or any agency or instrumentality thereof for the exclusive use of the United States or any agency or instrumentality thereof (See NMSA 1978, §7-16A-10 (B)). Special fuel sold to the state of New Mexico or any political subdivision, agency or instrumentality thereof for the exclusive use of the state of New Mexico or any political subdivision, agency or instrumentality thereof (See NMSA 1978, §7-16A-10 (C)). Purchase of special fuel for the exclusive use of tribe (See NMSA 1978, §7-16A-10 (D)).

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

No statute of limitation exists to file amendments to remit additional motor fuel tax to New Mexico. Amendments to remit additional tax due can be submitted at any time.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

A refund may be allowed or made to a person only within three years after the end of the calendar year in which the payment was originally due or the overpayment resulted from an



assessment by the department as provided in Section 7-1-17 NMSA 1978, whichever is later (See NMSA 1978, §7-1-26(D)(1)(a)) A refund may be allowed or made to a person if the payment of an amount of tax was not made within three years of the end of the calendar year in which the original due date of the tax or date of the assessment of the department occurred, a claim for refund of that amount of tax can be made within one year of the date on which the tax was paid (See NMSA 1978, §7-1-26(D)(4)).

Please see Section 15 for contaminated fuel refunds.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

An Application for Refund is required, and an amended return may be required for a motor fuel tax refund.

**Section 41- Does your state accept electronic BOLs?**

Please refer to “Section 36” for bill of lading requirements.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Please refer to “Section 36” for bill of lading requirements.

**Section 43-Are tax return templates and instructions available on your state’s website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Tax return templates and instructions can be found at the following website:  
<https://www.tax.newmexico.gov/>

## STATE OF NEW YORK

The State of New York recommends that the public visit the ***Motor Fuel Excise Tax*** page on our website for the most current motor fuel tax information.

# STATE OF NORTH CAROLINA

## **Section 1-Contact Information**

**Agency:** North Carolina Department of Revenue

**Name:** John D. Panza

**Street Address:** 3301 Terminal Drive – Suite 125

**City, State Zip Code:** Raleigh, NC 27604

**Phone Number:** (877) 308-9092

**Fax Number:** (919) 250-7898

**E-mail Address:** [john.panza@ncdor.gov](mailto:john.panza@ncdor.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

North Carolina General Statutes Article 36C Gasoline, Diesel, and Blends and Article 36D Alternative Fuels may be accessed at the following address:

<https://www.ncleg.gov/Laws/GeneralStatuteSections/Chapter105>

North Carolina General Statute § 119-18 Inspection tax may be accessed at the following address:

<https://www.ncleg.gov/Laws/GeneralStatuteSections/Chapter119>

The motor fuels administrative rules may be accessed at the following address:

<http://reports.oah.state.nc.us/ncac.asp>.

## **Section 3-State Point of Taxation**

**Gasoline:** Terminal Rack

**Diesel:** Terminal Rack

**Aviation Fuel:** Terminal Rack

**Jet Fuel:** Terminal Rack

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: A licensed North Carolina supplier or importer of motor fuel that first receives the fuel upon its removal from the terminal rack or who imports the motor fuel into this State. The term first receiver is not defined in Article 36C but is referenced in N.C.G.S. § 105-449.62, 105-449.82, and 105-449.83.

N.C.G.S. § 105-449.81 sets forth the point of taxation as follows:

An excise tax at the motor fuel rate is imposed on motor fuel that is:

- (1) Removed from a refinery or a terminal and, upon removal, is subject to the federal excise tax imposed by § 4081 of the Code.
- (2) Imported by a system transfer to a refinery or a terminal and, upon importation, is subject to the federal excise tax imposed by § 4081 of the Code.
- (3) Imported by a means of transfer outside the terminal transfer system for sale, use, or storage in this State and would have been subject to the federal excise tax imposed by § 4081 of the Code if it had been removed at a terminal or bulk plant rack in this State instead of imported.
- (3a) Repealed by Session Laws 2007-527, s. 38(a), effective January 1, 2008.
- (3b) Fuel grade ethanol or biodiesel fuel if the fuel meets at least one of the following descriptions:
  - Is produced in this State and is removed from the storage facility at the production location.
  - Is imported to this State by means of a transport truck, a railroad tank car, a tank wagon, or a marine vessel where ethanol or biodiesel from the vessel is not delivered to a terminal that has been assigned a terminal control number by the Internal Revenue Service.
  - Repealed by Session Laws 2009-445, s. 34(a), effective January 1, 2010.
  - Is removed from the terminal transfer system and is not subject to the federal excise tax imposed by § 4081 of the Code.
- (4) Blended fuel made in this State or imported to this State.
- (5) Transferred within the terminal transfer system and is subject, upon transfer, to the federal excise tax imposed by section 4081 of the Code or is transferred to a person at a terminal who is not licensed under this Article as a supplier.

**Section 5-State Tax Rates**

**Rates as of January 1, 2024**

**Gasoline:** 40.4 cents per gallon excise tax and .0025 cents per gallon inspection tax

**Diesel:** 40.4 cents per gallon excise tax and .0025 cents per gallon inspection tax

**Aviation Fuel:** .0025 cents per gallon inspection tax

**Jet Fuel:** .0025 cents per gallon inspection tax

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons?**  
**Please provide the reference information.**

North Carolina motor fuel tax is calculated based on billed gallons. This is administered through Departmental policy.

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Pursuant to N.C.G.S. § 119-18(a), an inspection tax of \$.0025 ( $\frac{1}{4}$  of 1¢) per gallon is levied on all fuel regardless of whether excise tax is imposed.

**Section 7-Rate Updates**

**Please list any rate updates for your state:**

**N.C.G.S. § 105-449.80. Tax rate.**

(a) Rate. - For the period that begins on January 1, 2016, and ends on June 30, 2016, the motor fuel excise tax rate is a flat rate of thirty-five cents (35¢) per gallon. For the period that begins on July 1, 2016, and ends on December 31, 2016, the motor fuel excise tax rate is a flat rate of thirty-four cents (34¢) per gallon. For the calendar years beginning on January 1, 2017, the motor fuel excise tax rate is a flat rate of thirty-four cents (34¢) per gallon, multiplied by a percentage. For calendar years beginning on or after January 1, 2018, the motor fuel excise tax rate is the amount for the preceding calendar year, multiplied by a percentage. The percentage is one hundred percent (100%) plus or minus the sum of the following:

- (1) The percentage change in population for the prior calendar year, as estimated under G.S. 143C-2-2, multiplied by seventy-five percent (75%).
- (2) The annual percentage change in the Consumer Price Index for All Urban Consumers, multiplied by twenty-five percent (25%). For purposes of this subdivision, "Consumer Price Index for All Urban Consumers" means the United States city average for energy index contained in the detailed report released in the November prior to the applicable calendar year by the Bureau of Labor Statistics of the United States Department of Labor, or data determined by the Secretary to be equivalent.

(b) Repealed by Session Laws 2015-2, s. 2.2(a), effective January 1, 2016.

(c) Notification. - The Secretary must notify affected taxpayers of the tax rate to be in effect for each calendar year beginning January 1.

For the year beginning 1/1/2024 the excise tax rate was calculated to be: 40.4 cents per gallon.

## **Section 8-State Collection Allowance**

Pursuant to N.C.G.S. § 105-449.93(b), a licensed distributor receives a one percent (1%) discount of the amount of tax payable if the taxes due to a supplier are paid on time. This discount covers the expense of furnishing a bond and losses due to shrinkage or evaporation.

Pursuant to N.C.G.S. § 105-449.97(b), a licensed supplier that files and pays tax to the State on time receives an administrative discount of one-tenth of one percent (0.1%) of the amount of tax payable to the State as the trustee, not to exceed \$8,000.00 per month. This discount covers expenses incurred in collecting taxes on motor fuel.

Pursuant to N.C.G.S. § 105-449.97(c), a licensed supplier receives a one percent (1%) discount of the amount of tax payable for paying taxes on time when the supplier sells product to an unlicensed distributor or others not entitled to the one percent (1%) discount allowed under N.C.G.S. § 105-449.93(b).

Pursuant to N.C.G.S. § 105-449.99(b), an importer who receives motor fuel from an elective or permissive supplier may deduct the one percent (1%) discount allowed by N.C.G.S. § 105-449.93(b), when remitting tax to the supplier, as trustee, for payment to North Carolina.

## **Section 9-State Diversion Requirements**

**Diversion Required: Yes.**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

N.C.G.S. § 105-449.115(d)(3).

**What diversion registry program do you use?**

North Carolina currently uses Fueltrac.us.

**What products are subject to the diversion requirement?**

All taxable motor fuel products.

### **Diversion Requirements**

**Diverted Fuel** – The person who authorizes a change in the destination state of motor fuel from the state given on the fuel's shipping document to North Carolina is liable for the tax due on the motor fuel. If motor fuel is diverted from North Carolina to another state, only the person who authorized the fuel to be diverted is eligible for a refund of the amount of tax paid on the fuel (N.C.G.S. § 105-449.87(c)).

### **Duties of a Transporter**

A person to whom a shipping document was issued (i.e. the transporter) must deliver motor fuel described in the shipping document to the destination state printed on it unless the person does all of the following:

1. Notify the Secretary before transporting the motor fuel into a state other than the state designated on the shipping document.
2. Receives from the Secretary a confirmation number authorizing the shipment of motor fuel to a state other than the state designated on the shipping document; and
3. Contemporaneously notes on the shipping document the change in destination state and the confirmation number for the diversion, which is received in a manner designated by the Secretary (N.C.G.S. § 105-449.115(d)(3)).

Upon delivery, provide a copy of the shipping document to the person to whom the motor fuel is delivered (N.C.G.S. § 105-449.115(d)(4) and N.C.G.S. § 105-449.115(e)).

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Only the person who authorized the fuel to be diverted is eligible for a refund of the amount of tax paid on the fuel (N.C.G.S. § 105-449.87(c)).

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

No credit / No requirement to rebill. Supplier should report the sale as it occurred based on the bill of lading. The consignee (distributor) would file the form GAS-1259 Motor Fuels Backup Tax Return to report the diversion.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

No credit / No requirement to rebill. Supplier should report the sale as it occurred based on the bill of lading. The consignee (distributor) would file the form GAS-1259 Motor Fuels Backup Tax Return to report the diversion.

**Any Additional Comments?**

The consignee (distributor) is liable for any tax due as a result of a diversion to a state other than that which was indicated to the terminal/bulk plant operator.

## **Section 10-Alternative Fuels Incentives and Laws**

In North Carolina, the Triangle ([www.trianglecleancities.org](http://www.trianglecleancities.org)) and Centralina ([www.4cleanfuels.com](http://www.4cleanfuels.com)) Clean Cities Coalitions facilitate the implementation and expansion of alternative fuels and advanced transportation technologies.

### **State Incentives**

#### **Biofuels Industry Development**

The North Carolina Green Business Fund was established to provide grants to private businesses with fewer than 100 employees, nonprofit organizations, local governments, and state agencies to encourage the expansion of small and medium sized businesses to help grow a green economy. One of the fund's priority areas is the development of the biofuels industry in the state. The

Department of Commerce may make grants available to maximize development, production, distribution, retail infrastructure, and consumer purchase of biofuels (House Bill 1473, 2007, and N.C.G.S. § 143B-437.4).

#### **Alternative Fuel Production Tax Credit**

A tax credit is available for the processing of biodiesel, 100% ethanol, or ethanol/gasoline blends consisting of at least 70% ethanol. The credit is equal to 25% of the cost of constructing and equipping the facility and **a facility must be placed in service before January 1, 2020**. The credit must be taken in seven equal annual installments beginning with the taxable year in which the facility is placed in service. In lieu of the above credit, a taxpayer that constructs and places into service, in North Carolina, three or more commercial facilities for processing renewable fuel and invests a total amount of at least \$400,000,000 in the facilities is allowed a credit equal to 35% of the cost to the taxpayer of constructing and equipping the facilities. To claim the credit, the taxpayer must obtain a written determination from the Secretary of Commerce that the taxpayer is expected to invest at least \$400,000,000 in three or more facilities within a five-year period.

**Facilities must have been placed in service before January 1, 2020**

(N.C.G.S. § 105-129.16D(b) and (b1)).

#### **Bond Exemption for Small Biofuels Producers**

A bond filed with the Secretary of Revenue is not required for fuel blenders or suppliers of ethanol or biodiesel when the expected motor fuel tax liability is less than \$2,000 Senate Bill 540, 2007, and (N.C.G.S. § 105-449.72(a)(3)).

#### **Renewable Energy Property Tax Credit**

Taxpayers who construct, purchase, or lease renewable energy property, are eligible for a tax credit equal to 35% of the cost of the property. Renewable energy property includes biomass equipment that uses renewable biomass resources for biofuel production of ethanol, methanol, and biodiesel; anaerobic biogas production of methane utilizing agricultural and animal waste or garbage and related devices for converting, conditioning, and storing the liquid fuels and gas produced with the biomass equipment. The credit must be taken in five equal installments beginning with the taxable year in which the property is placed in service. A ceiling of \$2,500,000 per installation applies to renewable energy property placed in service for any purpose other than residential. Property must be placed in service before January 1, 2016. Session Law 2015-11 delayed the sunset for renewable energy properties placed into service on or after January 1, 2017. To be eligible for the delayed sunset, the taxpayer must make a timely application for the extension, pay the application fee, and meet the two following conditions on or before January 1, 2016: (1) they have incurred at least the minimum percentage of costs of the projects and (2) completed at least the minimum percentage of the physical construction of the project. The application and payment must have been filed with the Secretary of Revenue on or before October 1, 2015 (N.C.G.S. § 105-129.15 and 105-129.16A)

#### **Alternative Fuel Fueling Infrastructure Tax Credit**

A tax credit is available for qualified fueling facilities that dispense biodiesel, 100% ethanol, or ethanol/gasoline blends consisting of at least 70% ethanol. The credit is equal to 15% of the cost of construction and installation of the dispensing facility, including pumps, storage tanks, and



related equipment, that is directly and exclusively used for dispensing or storing the fuel. The credit must be taken in three equal annual installments beginning with the taxable year in which the facility is placed into service. **Facilities must have been placed in service before January 1, 2014** (N.C.G.S. § 105-129.16D(a)).

### **Reduce Diesel Emission Grants**

Grants from the Department of Environment and Natural Resources, Division of Air Quality, are available periodically to provide incentive funding for projects that reduce diesel emissions.

### **Alternative Fuel and Alternative Fuel Vehicle (AFV) Fund**

The State Energy Office administers an energy credit banking and selling program which enables the state to use moneys generated by the sale of EPAct credits to purchase alternative fuel, develop alternative fuel refueling infrastructure, and purchase AFV's for use by the state. The monies generated by the sale of EPAct credits are deposited into the Alternative Fuel Revolving Fund (Fund), which enables state agencies to offset the incremental costs of alternative fuel, related fueling infrastructure, and purchasing AFVs. Funds are distributed to state departments, institutions, and agencies in proportion to the number of EPAct credits generated by each. For the purposes of this program, the definition of alternative fuel includes biodiesel (minimum of 20% biodiesel or B20), ethanol (minimum of 85% ethanol or E85), compressed natural gas, propane, and electricity, and includes hybrid electric vehicles. The Fund also covers additional projects approved by the Energy Policy Council (N.C.G.S. § 143-58.4, 143-58.5, 143-341(8)i, and 136-28.13).

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol*</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.404/gallon or gallon equivalent	Biodiesel is a taxable product. It is taxable when removed from the storage facility at the production location or upon importation into the State.	Subject to the \$.0025 Inspection Tax	Fuel grade ethanol is subject to \$0.404/gallon	Fuel grade ethanol is taxable when removed from the storage facility at the production location or upon importation into the State.	Fuel grade ethanol is subject to the \$.0025 inspection tax.

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>			<b>Ethanol*</b>		
\$0.404/per gallon or gallon equivalent	Biodiesel is taxable upon importation into the State.	Subject to the \$0.0025 Inspection Tax	Fuel grade ethanol is subject to \$.404/gallon	Fuel grade ethanol is taxable upon importation into the State.	Fuel grade ethanol is subject to the \$.0025 inspection tax.

\*Fuel grade ethanol. – Ethanol meeting the standard for the American Society Testing Materials Specification D 4806, "Standard Specification for Denatured Fuel Ethanol for Blending with Gasolines for Use as Automotive Spark-Ignition Engine Fuel," or ethanol, regardless of how it was produced, denatured in accordance with 27 C.F.R. § 19.746 as of January 1, 2021 (N.C.G.S § 105-449.60. (20a)).

Contact the North Carolina Department of Revenue for additional information.

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Yes; NCGS § 105-449.136 – tax; NCGS § 105-449.130(1g) – conversion rate	<b>Gas Gallon equivalent: 5.66 lbs./gallon</b>
<b>E85</b>	Yes	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	Yes	<b>Not Applicable</b>
<b>Hydrogen</b>	Yes	<b>Gas Gallon Equivalent: 1 kg of hydrogen times 1.019</b>
<b>LNG (Liquefied</b>	Yes;	<b>Diesel gallon equivalent: 6.06</b>

<b>Natural Gas)</b>	NCGS § 105-449.136 – tax; NCGS § 105-449.130(1f) – conversion rate	<b>lbs./gallon</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Yes; NCGS § 105-449.136 – tax; NCGS § 105-449.130(1h) – conversion rate	<b>Gasoline Gallon equivalent: 5.75 lbs./gallon (propane)</b>
<b>Methanol or “M85”</b>	Yes NCGS § 119-18 (Inspection Tax only)	<b>Not Applicable</b>

Note: According to the NIST Office of Weights and Measures, the retail sale of hydrogen fuel must be in the mass unit kg (kilogram). The US Department of Energy uses the following conversion factor to convert kilograms (kg) of hydrogen to GGE: 1kg of hydrogen times 1.019 equals 1 GGE.

Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane

PERC was authorized by the Propane Education and Research Act of 1996 and established through a propane industry-wide referendum. PERC’s operations and activities are funded by an assessment levied on each gallon of propane gas at the point it is odorized or imported into the United States. The assessment, which is mandatory, is currently **\$ .005 per gallon**. This fee is neither assessed nor administered by the NC Department of Revenue.

#### **Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Any petroleum product component of gasoline listed in Treasury Regulation Section 48-4081-1(c)(3) as of January 1, 2017, that can be blended for use in a motor fuel.	40.4 cents excise tax and .0025 cents inspection tax per gallon	Yes

#### **Section 16-How does your state handle contaminated fuel?**

North Carolina General Statute § 105-449.105(c) allows a monthly refund of the amount of tax paid on certain accidental mixes. A Claim for Refund of Taxes, Form NC-19, should be filed to obtain this refund.

#### **Section 17-Does your state allow bad debt credits?**

North Carolina allows suppliers to obtain a credit on their Supplier Return for taxes paid by the supplier, acting in its capacity as a trustee, for a licensed distributor or licensed importer who failed to pay the supplier by the date the tax was due to the State. The supplier must remit Form GAS-1242, Supplier 10 Day Notification, prior to claiming the credit (N.C.G.S. § 105-449.97(a)).

**Section 18-Please provide the following information:**

**DUE DATES for submitting RETURNS**

Monthly: Within 22-days after the end of each month.

Quarterly: Last day of the month following the end of the quarter.

Annually: Within 45-days after the end of each calendar year.

Form No.	Name of Report	Due Date of Report	Due Date of Payment
GAS-1202	Motor Fuels Supplier Return	Monthly	Same as due date
GAS-1204	Terminal Operator Return	Monthly	Informational
GAS-1207	Refiner Return	Monthly	Same as due date
GAS-1209	Terminal Operator Annual Return	Annually	Same as due date
GAS-1219	Motor Fuels Importer Return	Monthly*	Same as due date
GAS-1242	Supplier 10 Day Notification	10-days after the monthly due date	Informational
GAS-1252	Alternative Fuels Provider Return	Monthly	Same as due date
GAS-1254	Bulk End-User of Alternative Fuel Return	Quarterly	Same as due date
GAS-1258	Retailer of Alternative Fuel Return	Quarterly	Same as due date
GAS-1259	Motor Fuels Backup Tax Return	Monthly	Same as due date
GAS-1260	Blender Return	Monthly	Same as due date
GAS-1264	Fuel Alcohol/Biodiesel Provider Return	Monthly	Same as due date
GAS-1288	Kerosene Supplier Return	Monthly	Same as due date
GAS-1301	Motor Fuel Transporter Return	Monthly	Informational

\*NOTE: Occasional Importers filing GAS-1219, must submit their return no later than the 3<sup>rd</sup> day after the end of the month. All other Importer returns are submitted monthly, as defined above.

**DUE DATES for submitting CLAIMS FOR REFUNDS:**

Monthly: Within 22-days after the end of each month.

Quarterly: Last day of the month following the end of the quarter.

Annually: April 15<sup>th</sup> after the end of the year.

<b>Form No.</b>	<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
NC-19	Claim for Refund of Taxes	Monthly	Per statute – see below
GAS-1200	Claim for Refund – Nonprofit Organizations	Quarterly	Per statute – see below
GAS-1200C	Claim for Refund – Qualified Power Takeoff Vehicles	Annually	Per statute – see below
GAS-1201	Claim for Refund – Tax-paid Motor Fuel Used Off-Highway	Quarterly	Per statute – see below
GAS-1201ME	Claim for Refund – Special Mobile	Quarterly	Per statute – see below
GAS-1206	Claim for Refund – Exempt Entities	Monthly	Per statute – see below
GAS-1210	Kerosene Claim for Refund	Monthly	Per statute – see below
GAS-1239	Motor Fuel Bulk Plant Exporter Return	Monthly	Per statute – see below
GAS-1241	Motor Fuel Claim for Refund Licensed Distributor/Importer Hold Harmless	Monthly	Per statute – see below

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Yes. Any return, claim, statement, or other document required to be filed, or any payment required to be made, must be received by the Department or must be postmark stamped on or before the prescribed filing and/or payment date.

Pursuant to N.C.G.S. §105-263(a), North Carolina has adopted the Internal Revenue Code § 7502 to govern the timely filing of mailed documents.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

Tax returns filed electronically are due on or before 11:59 pm Eastern Time (ET) on the due date of the return.

However, to meet this requirement, taxes remitted to the Department through electronic fund transfer (EFT) or through the Motor Fuel Tracking System must be received no later than 3:45

p.m. (ET) on the day prior to the prescribed filing and/or payment date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Any return, claim, statement, or other document required to be filed, or any payment required to be made, must be received by the Department or must be postmark stamped on the next business day following the prescribed filing and/or payment date.

Pursuant to N.C.G.S. § 105-263(a), North Carolina has adopted the Internal Revenue Code § 7503 to govern the timely filing of documents when the prescribed due date falls on a weekend or holiday.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Pursuant to N.C.G.S. § 105-236(a)(3), if a return is late, the penalty is 5% per month, or any fraction thereof, with a maximum of 25% of the tax that is due.

Pursuant to N.C.G.S. § 105-236(a)(4), if a payment is late, without intent to evade the tax, the penalty is 5% of the tax due. This penalty may not apply in certain specified circumstances as described in the statute.

Pursuant to N.C.G.S. § 105-236(a)(10), for failure to file with the Secretary, an informational return, by the date the return is due, the Secretary shall assess a penalty of fifty dollars (\$50.00) per day, up to a maximum penalty of one thousand dollars (\$1,000). For failure to file in the format prescribed by the Secretary, the Secretary shall assess a penalty of two hundred dollars (\$200.00).

Name of Report	Report Penalties	Payment Penalties
N/A	N/A	N/A

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Pursuant to N.C.G.S. § 105-449.81(3b), an excise tax at the motor fuel rate is imposed on all fuel grade ethanol or biodiesel fuel if the fuel meets at least one of the following descriptions:

- a. is produced in this State and is removed from the storage facility at the production location.
- b. is imported to this State by means of a transport truck, a railroad tank car, a tank wagon, or a marine vessel where ethanol or biodiesel from the vessel is not delivered to a terminal that has been assigned a terminal control number by the Internal Revenue Service.

Pursuant to N.C.G.S. § 105-449.81(4), an excise tax at the motor fuel rate is imposed on motor fuel that is blended fuel made in this State or imported to this State.

Biodiesel, biodiesel blends and fuel grade ethanol are taxable.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes. Pursuant to N.C.G.S § 105-449.101, a motor fuel transporter that is required to be licensed, must file a monthly informational return (Gas-1301, Motor Fuel Transporter Return). Licensed Transporters are required to report the following:

1. Motor fuel loaded at a North Carolina terminal or bulk plant and delivered to another state.
2. Motor fuel loaded at an out-of-state terminal or bulk plant and delivered in North Carolina.
3. Motor fuel loaded at a North Carolina terminal or bulk plant and delivered in North Carolina.

A motor fuel transporter must be licensed if they transport motor fuel for hire.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

The position holder in North Carolina is responsible for reporting and paying the applicable North Carolina tax on a flash title sale to the first purchaser. The Bill of Lading must list North Carolina as the destination state. For subsequent flash title sales to other customers, if exported out of state, a diversion must be reported.

Pursuant to N.C.G.S. § 105-449.84A. Liability for tax on behind-the-rack transfers. The excise tax imposed by that subdivision on motor fuel that is transferred within the terminal transfer system by a person that is not licensed under this Article as a supplier is payable by the person transferring the motor fuel, the person receiving the motor fuel, and the terminal operation of the terminal at which the fuel was transferred, all of whom are jointly and severally liable.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?**  
**Please provide the Statute that supports that deferral.**

A distributor must remit tax due on motor fuel removed at a terminal rack to the supplier of the fuel. A licensed distributor has the right to defer the remittance of tax to the supplier, as trustee, until the date the trustee must pay the tax to this State or to another state. The time when an unlicensed distributor must remit tax to a supplier is governed by the terms of the contract between the supplier and the unlicensed distributor (N.C.G.S. § 105-449.91(a)).

A licensed importer must remit tax due on motor fuel removed at a terminal rack of a permissive or an elective supplier to the supplier of the fuel. A licensed importer that removes fuel from a terminal rack of a permissive or an elective supplier has the right to defer the remittance of tax to the supplier until the date the supplier must pay the tax to this State (N.C.G.S. § 105-449.91(c)).

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Inspection tax is deferred in the same manner as excise tax.

**Details are provided in Section 26 above.**

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

North Carolina does not impose a sales tax on gasoline or clear diesel. Sales tax is charged for dyed diesel at the time of purchase. The State sales tax rate is set statutorily pursuant to N.C.G.S. § 105-164.4 with a State rate of 4.75%, plus applicable local rates that range from 2.00% to 2.75%. The North Carolina total sales tax rates range from 6.75% to 7.25%.

Pursuant to N.C.G.S. § 105-164.13(11), sales and use tax is deducted from a claim for refund on motor fuel for which the per-gallon excise tax had been paid.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

	<b>License Type</b> (N.C.G.S. § 105-449.72)	<b>Amount of Bond</b> (N.C.G.S. § 105-449.72)
1.	<ul style="list-style-type: none"> <li>Refiner;</li> <li>Terminal Operator;</li> <li>Supplier that is a position holder or a person that receives motor fuel pursuant to a two-party exchange;</li> <li>Bonded Importer; or</li> <li>Permissive Supplier</li> </ul>	Must file a bond in the amount of \$2,000,000.
2.	<ul style="list-style-type: none"> <li>Occasional Importer;</li> <li>Tank Wagon Importer; or</li> <li>Distributor</li> </ul>	The bond amount is two times the applicant's average expected monthly tax liability, but may not be less than \$2,000 and may not be more than \$500,000.
3.	<ul style="list-style-type: none"> <li>Blender; or</li> <li>A supplier that is a fuel alcohol provider or a biodiesel provider but is neither a position holder nor a person that receives motor fuel pursuant to a two-party exchange</li> </ul>	A bond is required only if the applicant's average expected annual tax liability is at least \$2,000, and the bond amount may



		not be less than \$2,000 and may not be more than \$500,000.
4.	<ul style="list-style-type: none"> <li>Alternative fuel provider; or</li> <li>A retailer or a bulk end-user that intends to store highway and non-highway alternative fuel in the same storage facility.</li> </ul>	The bond amount is two times the applicant's average expected monthly tax liability but may not be less than \$2,000 and may not be more than \$500,000.
5.	<ul style="list-style-type: none"> <li>Kerosene Supplier;</li> <li>Kerosene Distributor; or</li> <li>Kerosene Terminal Operator.</li> </ul>	The amount of the bond may not be less than \$500 and may not be more than \$20,000.

- An applicant for a license as a distributor and as a bonded importer must file only the bond required of a bonded importer.
- An applicant for two or more of the licenses listed in section 2 or 3, in the table above, may file one bond that covers the combined liabilities of the applicant under all the activities. The bond for these combined activities may not exceed \$500,000.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- Import
- Export
- Sell at Wholesale
- Sell at Retail
- Fuel in Terminal
- Transport Fuel
- Operate IRS Terminal
- Blends Fuel
- Refine Fuel
- Stores Fuel at IRS Terminal (ExStars Report)
- Uses alternative fuel

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Refiner	X	1, 2, 3, 5, 8, 9
Importer (Bonded, Tank Wagon, Occasional)	X	1, 2, 3, 4, 6
Bulk End-User of Alternative Fuel	X	3, 11

Retailer of Alternative Fuel	X	3, 4
Blender	X	8
Kerosene Supplier	X	1, 5, 10
Transporter		6
Fuel Alcohol Provider and Biodiesel Provider	X	1, 2, 3, 6, 8
Supplier	X	1, 2, 3, 4, 5, 8, 10
Terminal Operator		5, 7, 10
Distributor		1, 2, 3, 4, 6, 8
Alternative Fuel Provider	X	1, 2, 3, 4, 6, 11

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Yes. If the motor fuel is removed for export by an unlicensed exporter, the exporter is liable for tax on the fuel at the motor fuel rate (NC) and at the rate of the destination state. A supplier who sells motor fuel to a unlicensed exporter is jointly and severally liable for the tax due on the fuel at the motor fuel rate (N.C.G.S. § 105-449.82(c)).

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Yes. An applicant for a license as a supplier may elect on the application to collect the excise tax due North Carolina on motor fuel that is removed by the supplier at a terminal located in another state and has NC as the destination state. A supplier that makes this election is an Elective Supplier. A supplier that does not make the election allowed by this section is an in-State supplier (N.C.G.S. §105-449.70).

Additionally, an out-of-state supplier that is not required to have a license may elect to have a license and thereby become a Permissive Supplier (N.C.G.S. §105-449.71).

**NOTE: A supplier that does not make the elections cannot collect tax on fuel removed from an out of state terminal with NC as the destination state.**

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

North Carolina requires electronically filed returns to be amended electronically. A return that has been filed by paper must be amended using paper. North Carolina requires only the transactions that are amended be included on the amended return (return indicates only the transactions not reported on original return).

### **Section 34-Does your state allow credit and rebills on the current month report?**

No. North Carolina requires the tax responsible party to report any credit or rebills in the month the transaction occurred by filing an amendment.

North Carolina does not allow credit or rebills due to diversions.

Section 35-How many days are allowed to report late loads?

North Carolina does not have a grace period for reporting late loads. Pursuant to North Carolina Administrative Code, 17 NCAC 12B .0301, all motor fuel transactions must be reported in the current filing period when the transaction occurred. Any prior period transactions (late loads) must be filed as an amended return for the affected period.

### **Section 36-What data elements are required on BOL/Shipping document and/or Invoice by your state? Please provide the statutory reference.**

Pursuant to N.C.G.S. § 105-449.115(b), the content of a shipping document required to transport motor fuel by railroad tank car or transport truck must contain the following information and may require other information if asked for by the Secretary:

- (1) Identification, including address, of the terminal or bulk plant from which the motor fuel was received.
- (1a) The type of motor fuel loaded.
- (2) The date the motor fuel was loaded.
- (3) The gross gallons loaded if the motor fuel is loaded onto a transport truck, and the gross pounds loaded if the motor fuel is loaded onto a railroad tank car.
- (3a) The motor fuel transporter for the motor fuel.
- (4) The destination state of the motor fuel, as represented by the purchaser of the motor fuel or the purchaser's agent.
- (5) If the document is issued by a refiner or a terminal operator, the document must be machine printed. If the motor fuel is loaded onto a transport truck, the document must contain the following information:
  - a. The net gallons loaded.
  - b. A tax responsibility statement indicating the name of the supplier that is responsible for the tax due on the motor fuel.

Pursuant to N.C.G.S. § 105-449.115A, a person who operates a tank wagon into which motor fuel is loaded from some other source must have an invoice, bill of sale, or shipping document containing the following information and may require other information if asked for by the Secretary:

1. The name and address of the person from whom the motor fuel was received.
2. The date the fuel was loaded.
3. The type of fuel.
4. The gross number of gallons loaded.
5. The destination state of the fuel.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

North Carolina General Statute § 105-449.88 sets forth the exemptions from the excise tax. The excise tax on motor fuel does not apply to the following:

- (1) Motor fuel removed, by transport truck or another means of transfer outside the terminal transfer system, from a terminal for export, if the motor fuel is removed by a licensed distributor or a licensed exporter and the supplier of the motor fuel collects tax on it at the rate of the motor fuel's destination state.
- (1a) Motor fuel removed by transport truck from a terminal for export if the motor fuel is removed by a licensed distributor or licensed exporter, the supplier that is the position holder for the motor fuel sells the motor fuel to another supplier as the motor fuel crosses the terminal rack, the purchasing supplier or its customer receives the motor fuel at the terminal rack for export, and the supplier that is the position holder collects tax on the motor fuel at the rate of the motor fuel's destination state.
- (2) Motor fuel sold to the federal government for its use.
- (3) Motor fuel sold to the State for its use.
- (4) Motor fuel sold to a local board of education for use in the public school system.
- (5) Diesel that is kerosene and is sold to an airport.
- (6) Motor fuel sold to a charter school for use for charter school purposes.
- (7) Motor fuel sold to a community college for use for community college purposes.
- (8) Motor fuel sold to a county or a municipal corporation for its use.
- (9) Biodiesel that is produced by an individual for use in a private passenger vehicle registered in that individual's name pursuant to Chapter 20 of the General Statutes. For the purposes of this subdivision, the term "private passenger vehicle" has the same meaning as in N.C.G.S. 20-4.01.
- (10) Motor fuel sold to a hospital authority created under N.C.G.S. 131E-17.
- (11) Motor fuel sold to a joint agency created by inter-local agreement pursuant to N.C.G.S. 160A-462 to provide fire protection, emergency services, or police protection.
- (12) Fuel grade ethanol or biodiesel transferred between terminals within North Carolina, if the fuel grade ethanol or biodiesel is owned by the same licensed supplier.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Pursuant to North Carolina General Statute § 105-241.8, the statute of limitations for assessments is the later of the following:

**Three** years after the due date of the return. **Three** years after the taxpayer filed the return. If the

taxpayer, as trustee, collects taxes on behalf of the State, but fails to remit all taxes when due, the period for proposing an assessment is the later of the following:

1. Ten years after the due date of the return.
2. Ten years after the taxpayer filed the return.

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

Pursuant to N.C.G.S. § 105-241.6, the general statute of limitations for obtaining a refund of an overpayment is the later of the following:

1. Three years after the due date of the return.
2. Two years after payment of the tax.

### **Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

North Carolina allows refunds through both amended returns and specific claims for refund.

### **Section 41- Does your state accept electronic BOLs?**

Printed BOLs are required.

### **Section 42- Rail Car**

#### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

North Carolina has accepted both origin date and delivery date. Elective and permissive suppliers have typically used the origin date which is the date product was sold to customer and date when NC tax was accrued. Importers have typically used delivery date, the date the product entered NC.

### **Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes, motor fuel forms are available on the NCDOR website and may be accessed at the following address:

<https://www.ncdor.gov/taxes-forms/motor-fuels-tax/motor-fuels-tax-forms>

# STATE OF NORTH DAKOTA

## **Section 1-Contact Information**

**Agency:** North Dakota Office of State Tax Commissioner

**Name:** Stephanie Hegstad, Tucker Williams

**Street Address:** 600 E Blvd Ave Dept 127

**City, State Zip Code:** Bismarck ND 58505-0599

**Phone Number:** 701-328-2702

**Fax Number:** 701-328-1950

**E-mail Address:** fueltax@nd.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

North Dakota Century Code (N.D.C.C.):

Chapter 57-43.1 – Motor Vehicle Fuels and Importer for Use Taxes

Chapter 57-43.2 – Special Fuels and Importer for Use Taxes

Chapter 57-43.3 – Aviation Fuel Tax

North Dakota Administrative Rules (N.D.A.C.):

Chapter 81-06.1-02 – Motor Fuel Tax Imposed

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Distributor

**Jet Fuel:** Distributor

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver:** Not Defined

**Point of Taxation:**

N.D.C.C. § 57-43.1-02 – Tax imposed on motor vehicle fuels: A tax of twenty-three cents per gallons is imposed on all motor vehicle fuel sold or used. A refiner, supplier, or distributor shall

remit the tax imposed by this section on motor vehicle fuel used in the state, on the wholesale distribution of motor vehicle fuel to a retailer, and on direct sales of motor vehicle fuel to a consumer.

N.D.C.C. § 57-43.2-02 – Tax imposed on special fuels: A tax of twenty-three cents per gallon is imposed on the sale or delivery of all special fuel sold or used in the state. A refiner, supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.

N.D.C.C. § 57-43.2-02.3 – Exemptions: Special fuel dyed for federal fuel tax exemption purposes and sold for an agricultural, industrial, or railroad purpose is exempt from the special fuel tax imposed by section N.D.C.C. § 57-43.2-02 at the time the fuel is sold to the consumer and is subject instead to the tax imposed by section N.D.C.C. § 57-43.2-03.

N.D.C.C. § 57-43.2-03 – Special excise tax levied: A special excise tax of four cents per gallon is imposed on all sales of diesel fuel and other special fuels, which are exempted from the tax imposed under section N.D.C.C. § 57-43.2-02.

N.D.C.C. § 57-43.3-02 – Tax imposed on aviation fuel: A tax of eight cents per gallon is imposed on all aviation fuel sold or used in this state. A supplier or distributor shall remit the tax imposed by this section on aviation fuel used, on the on the wholesale distribution of aviation fuel to a retailer, and on direct sales of aviation fuel to a customer.

### **Section 5-State Tax Rates**

**Gasoline:**       \$.23/gallon (Includes Ethanol blends & E85)

**Diesel:**       Clear- \$.23/gallon (Includes Biodiesel blends)  
Dyed- \$.04/gallons (Includes Biodiesel blends)

**Aviation Fuel:**       \$.08/gallon

**Jet Fuel:**       \$.08/gallon

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

N.D.C.C. § 23.1-13-16 - Inspection fees: Every person licensed by the tax commissioner as a motor vehicle fuel or special fuels dealer shall pay to the tax commissioner an inspection fee of one-fortieth of one cent per gallon (\$.00025) for every gallon of gasoline, kerosene,

tractor fuel, heating oil, or diesel fuel sold or used during a calendar month except those gallons sold out of state or those gallons sold as original package sales.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

No rate changes.

### **Section 8-State Collection Allowance**

Motor Vehicle Fuel – 2% of tax due, unlimited

Special Fuels & Aviation Fuel - 1% of tax due, limited to maximum of \$300/month.

### **Section 9-State Diversion Requirements**

**Diversion Required:**

Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

N.D.C.C. §§ 57-43.1-16.2 & 57-43.2-11.2

**What diversion registry program do you use?**

None

**What products are subject to the diversion requirement?**

All motor fuels

**Diversion Requirements:**

Transporter shall issue a diversion ticket indicating the change in destination and a copy of the diversion and the bill of lading shall be mailed, faxed or electronically transmitted to the commissioner prior to the fuel entering the state.

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Distributor

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Yes.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**



## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives:**

#### **Biofuels Loan Program**

Effective August 1, 2007, the Biofuels Partnership in Assisting Community Expansion (PACE) Loan Program will provide up to a 5% interest buy down to the following: biodiesel, ethanol, or green diesel production facilities; livestock operations feeding byproducts of a biodiesel, ethanol, or green diesel facility; biofuels retailers for refueling infrastructure installation; and grain handling facilities which provide condominium storage of grain used in biofuels production. Qualified ethanol, biodiesel, and green diesel production facilities must be located in North Dakota and ownership must consist of agricultural producers holding at least 10% of the ownership interest in the facility or residents of the state owning at least 50% of the facility. A biodiesel production facility must produce biodegradable, combustible, liquid fuel that is derived from vegetable oil or animal fat and is suitable for blending with diesel fuel for use in internal combustion diesel engines. A green diesel production facility must produce fuels from nonfossil renewable resources, including agricultural or silvicultural plants, animal fats, residue, and waste generated from the production, processing, and marketing of agricultural products, silvicultural products, and other renewable resources. An ethanol production facility must produce agriculturally-derived denatured ethanol that is suitable for blending with a petroleum product for use in internal combustion engines. A recipient of Biofuels PACE loans is not eligible for regular PACE loans. (Senate Bill 2180, 2007, and N.D.C.C. § 17-03)

#### **Biodiesel or Green Diesel Sales Equipment Tax Credit**

The state of North Dakota offers a five-year income tax credit for equipment that enables a facility to sell diesel fuel containing at least 2% biodiesel or green diesel by volume. The tax credit is worth up to 10% per year, for up to five years, of the biodiesel or green diesel seller's direct costs incurred to adapt or add equipment to a facility. The credit is limited to \$50,000 in the cumulative amount of credits for all taxable years. Biodiesel or green diesel fuel must meet the specifications adopted by the American Society for Testing and Materials (ASTM). (N.D.C.C. § 57-38-01.23)

#### **Biodiesel or Green Diesel Production Equipment Tax Credit**

A corporate income tax credit is available in the amount of 10% per year for five years of the taxpayer's direct costs incurred to adapt or add equipment to retrofit an existing facility or adapt a new facility in the state for the purpose of producing or blending diesel or green diesel fuel containing at least 2% biodiesel or green diesel fuel by volume. Eligible direct costs must be incurred after December 31, 2002, and a taxpayer is limited to \$250,000 in the cumulative amount of credits for all taxable years. Biodiesel or green diesel fuel must meet the specifications adopted by the American Society for Testing and Materials (ASTM). For years beginning after December 31, 2008, this credit was expanded to also include costs associated with constructing or retrofitting a facility to crush soybeans or canola. (N.D.C.C. § 57-38-30.6)

#### **Quarterly Ethanol Production Incentive**

The North Dakota Division of Community Services' Office of Renewable Energy and Energy Efficiency will provide a quarterly production incentive to each eligible facility based on a) the average North Dakota price per bushel of corn received by farmers during the quarter, and b) the average North Dakota rack price per gallon of ethanol during the quarter. The cumulative state

ethanol payment amount received by any single ethanol production facility may not exceed \$10,000,000. (N.D.C.C. §§ 17-2-02 through 17-2-05)

### **Biodiesel Income Tax Credit**

A licensed fuel supplier who blends (B100) **biodiesel for the first blend** or green diesel into fuel in North Dakota is entitled to an income tax credit in the amount of \$0.05 per gallon (3.79 liters) of biodiesel or green diesel fuel comprised of at least 5% biodiesel or green diesel. (N.D.C.C. § 57-38-01.22)

### **Alternative Fuel Tax Rates**

A special excise tax rate of 2% is imposed on the sale of propane and a tax of \$0.04 per gallon is imposed on all sales of diesel fuel and other special fuels previously exempted from the full rate for use as an agricultural, industrial, or railroad purpose. Special fuel used for heating purposes is exempt. (N.D.C.C. §§ 57-43.2-02 and 57-43.2-03)

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.23/gallon	B100 is taxable	Subject to the Inspection Fee \$.00025/Gal	\$0.23/gallon	Ethanol is taxable	Subject to the Inspection Fee \$.00025/Gal

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
The tax rate is \$0.23/gallon. B100 is taxed like diesel. The tax rate is \$0.23/gallon for clear on-road use and \$0.04/gallon for dyed off-road use.	Agriculturally derived ethanol used in its pure state is included in the statutory definition of motor vehicle fuel and is taxed like gasoline. The tax rate is \$0.23/gallon.

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG),**

**Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	The tax rate is \$0.23 per equivalent gallon.	An equivalent gallon is equal to 120 cubic feet of compressed natural gas
<b>E85</b>	The tax rate is \$0.23 per gallon.	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Not Currently Taxed	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	The tax rate is \$0.23 per gallon.	<b>Not Applicable</b>
<b>Hydrogen</b>	The tax rate is \$0.23 per gallon.	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	The tax rate is \$0.23 per equivalent gallon for use on-road. Exempt for industrial, agricultural, or railroad use.	An equivalent gallon is equal to 1.7 gallons of LNG
<b>LPG (Liquefied Petroleum Gas)</b>	The tax rate is \$0.23 per gallon for on-road, 2% of sales price for use off-road, and no tax for heating fuel purpose.	
<b>Methanol or “M85”</b>	The tax rate is \$0.23 per gallon.	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blend stocks are taxable or reportable in your state.**

<b>Blend stock</b>	<b>Tax Rate</b>	<b>Reportable</b>
All blend stock	\$.23or \$.04 depending on fuel blended with	Yes

**Section 16-How does your state handle contaminated fuel?**

If the fuel is returned for refining and is replaced with the same volume of proper fuel, no additional tax is due. If the fuel is not returned for refining, the tax is due on the fuel that was

delivered, no transfer of fuel types is allowed.

**Section 17-Does your state allow bad debt credits?**

Credit can be taken for worthless accounts if both the tax and the cost of the fuel are written off for income tax purposes, documentation is required. If any of the account is later collected the applicable tax must be paid.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Aviation Fuel Tax Report	25 <sup>th</sup> of month following activity	25 <sup>th</sup> of month following activity
Liquefied Petroleum Fuel Tax Report	25 <sup>th</sup> of month following activity	25 <sup>th</sup> of month following activity
Motor Vehicle Fuel Tax Report	25 <sup>th</sup> of month following activity	25 <sup>th</sup> of month following activity
Special Fuels Tax Report	25 <sup>th</sup> of month following activity	25 <sup>th</sup> of month following activity

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Timely filing for mailings is the postmark date, for electronically filed it is the submitted date. Both the payment and the report must be submitted to be considered timely filed.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Before midnight (central time) on the due date is considered timely filed.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The due date is the next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
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All motor fuel reports (penalty and interest are applied to a report not considered timely filed with both the report and payment)	5% of the tax due plus any applicable interest at the rate of 1% per month or portion of month (applies if either the report, payment, or both are late)	5% of the tax due plus any applicable interest at the rate of 1% per month or portion of month (applies if either the report, payment, or both are late)
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**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is taxed as any other gasoline blend at \$.23 per gallon. The percentage range to be considered E85 is from 60% to 85%. E85 is allowed to be reported as either E85 or as gasohol because the tax rate is the same.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No transporter reports are required.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No sales tax is imposed.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Motor vehicle fuel: An amount prescribed by the Tax Commissioner but not less than \$1000.

Special fuel: An amount prescribed by the Tax Commissioner but not less than \$1000.

Aviation fuel: An amount prescribed by the Tax Commissioner but not less than \$500.

A security to guarantee payment may be in the form of a surety bond, cash bond, or an approved letter of credit. The amount of any security may be revised at the discretion of the Tax Commissioner.

For a license in effect for five or more years, the Tax Commissioner may review the records and may waive the requirement for a security. The requirement for a security may be reinstated at the discretion of the Tax Commissioner.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Distributor	X	1,2,3,4,5,8,9
Exporter		2
Supplier	X	1,2,3,4,5,8,9,10
Terminal		7

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, only North Dakota state taxes are collected.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No.

Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.

**Section 34-Does your state allow credit and rebills on the current month report?**

No, they are not allowed.

**Section 35-How many days are allowed to report late loads?**

Late loads without tax due are subject to review and may be reported up to 3 months after the transaction period. Late loads with tax due are due in transaction period.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

NDCC 57-43.1-16.2 does not include any requirements as far as data elements that should be included on a bill of lading. However, there are specific requirements in the following subsections for what should be included on a diversion ticket and a drop load ticket:

6. A diversion ticket must include the following information:
  - a. The transporter's name and address.
  - b. The date and time of issuance.
  - c. The diversion ticket number.
  - d. The name and address of the consignee indicated on the original bill of lading.
  - e. The destination as stated on the original bill of lading. Page No. 9
  - f. The original bill of lading number.
  - g. The location diverted to, including the address to which the fuel was diverted and the destination state.
  - h. The number of gallons of fuel being diverted.
  - i. The type of fuel being diverted.
  - j. Any other information required by the commissioner.
7. A drop load ticket must include the following:
  - a. The transporter's name and address.
  - b. The date and time of issuance.
  - c. The partial load ticket number.

- d. The name and address of the consignee indicated on the original bill of lading.
- e. The destination on the original bill of lading or as shown on the diversion ticket, if issued.
- f. The original bill of lading number and, if available, the diversion ticket number.
- g. The number of gallons off-loaded at each location.
- h. The type of fuel off-loaded at each location.
- i. Any other information required by the commissioner

With regards documentation required for claiming a motor fuel refund under NDCC 57-43.1-04, an invoice accompanying the claim form must include the seller's name and address, date of purchase, description of product purchased, gallons purchased, and the name of purchaser.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Federal Agencies and Tribal Agencies are exempt per Federal Statute.

Tribal members receiving fuel on a reservation is exempt from ND Tax but may be subject to tribal tax where such agreements exist.

57-43.1-03.2. Refund of tax for fuel purchased by native Americans - Fuels tax refund reserve fund - Continuing appropriation.

1. A native American may file a claim with the tax commissioner for a refund of motor vehicle fuel taxes paid by that person under this chapter or special fuel taxes paid under chapter 57-43.2 if the motor vehicle fuel or special fuel was purchased from a retail fuel dealer located on the Indian reservation where the native American is an enrolled member and the fuel was delivered to the native American on that reservation. The refund provisions of this chapter apply to refund claims made under this section.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Three-year statute of limitations

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Licensed fuel distributors and federal agencies have a three-year limitation to file a claim for a refund through an amended return or refund claim, respectively.

A claim for a refund to prevent taxation by multiple jurisdictions must be submitted within 12 months from the time the fuel is removed from North Dakota.

Claims for refund of tax as a result of agricultural, industrial or EMS use must be submitted prior to June 30 of the year following use.



**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both

**Section 41- Does your state accept electronic BOLs?**

If a BOL would be required, an electronic BOL would be acceptable.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

The BOL date is required.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

# STATE OF OHIO

## **Section 1-Contact Information**

**Agency:** Ohio Department of Taxation  
Excise and Energy Division

**Name:** Catherine DeRose  
Mark Williams

**Street Address:** 4485 Northland Ridge Blvd

**City, State Zip Code;** Columbus, OH 43229

**Phone Number:** 614-466-4719

**Fax Number:** 206-350-6722

**E-mail Address:** [Catherine.DeRose@tax.ohio.gov](mailto:Catherine.DeRose@tax.ohio.gov)  
[Mark.Williams@tax.ohio.gov](mailto:Mark.Williams@tax.ohio.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Ohio motor fuel is governed by the Ohio Revised Code section 5735. It is available on our website: <http://codes.ohio.gov/orc/5735>

## **Section 3-State Point of Taxation**

**Gasoline:** Receipt less credits

**Diesel:** Disbursement

**Aviation Fuel:** Exempt

**Jet Fuel:** Exempt

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: Not defined in Ohio Revised Code

Point of Taxation: O.R.C. 5735.01

With respect to gasoline, "received" or "receipt" shall be construed as follows:

- (a) Gasoline produced at a refinery in this state or delivered to a terminal in this state is deemed received when it is disbursed through a loading rack at that refinery or terminal;
- (b) Except as provided in division (J)(1)(a) of this section, gasoline imported into this state or purchased or otherwise acquired in this state by any person is deemed received within this state by that person when the gasoline is withdrawn from the container in which it was transported;
- (c) Gasoline delivered or disbursed by any means from a terminal directly to another terminal is not deemed received.

With respect to motor fuel other than gasoline, "received" or "receipt" means distributed or sold for use or used to generate power for the operation of motor vehicles upon the public highways or upon waters within the boundaries of this state. All diesel fuel that is not dyed diesel fuel, regardless of its use, shall be considered as used to generate power for the operation of motor vehicles upon the public highways or upon waters within the boundaries of this state when the fuel is sold or distributed to a person other than a licensed motor fuel dealer or to a person licensed under section 5735.026 of the Revised Code.

### **Section 5-State Tax Rates**

<b>Gasoline:</b>	\$0.385
<b>Diesel:</b>	\$0.47
<b>CNG:</b>	\$0.40
<b>Aviation Fuel:</b>	n/a
<b>Jet Fuel:</b>	n/a

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

The Ohio Motor Fuel Tax is based on net gallons. Reference O.R.C. 5735.06(B)

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

The Ohio Department of Taxation does not levy the fees reference in Section 6.

### **Section 7-Rate Updates**

July 1, 2020 CNG increased from \$0.10 to \$0.20 per gallon  
July 1, 2021 CNG increased from \$0.20 to \$0.30 per gallon

July 1, 2022 CNG increased from \$0.30 to \$0.40 per gallon  
July 1, 2023 CNG will increase from \$0.40 to \$0.47 per  
gallon

### **Section 8-State Collection Allowance**

Dealer Shrinkage Allowance – 1%

### **Section 9-State Diversion Requirements**

**Diversion Required: Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

5735.21 (D)

**What diversion registry program do you use?**

Ohio currently utilizes Fuel Trac for the registering of Diversions and Imports/Exports.

**What products are subject to the diversion requirement?**

All products except dyed diesel fuel from bulk plants in straight trucks with capacity of 4,200 gallons or less. 5735.21 (L)

**Diversion Requirements**

Must provide notification of diversion to the commissioner, receive a diversion number, and write the diversion number on the shipping document.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Only licensed claimants may request refunds. Any sales to non-licensed customers that are taxed incorrectly would require that the supplier obtain the refund. Credit and rebill would be required.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

Ohio's incentives can be found at the websites listed below.

**Ohio Department of Taxation:** [www.tax.ohio.gov](http://www.tax.ohio.gov)

**Ohio Department of Development:** <http://www.development.ohio.gov/>

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.47/gallon	B100 is taxable	None	\$0.385/gallon	Ethanol is taxable	None

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like clear diesel. The tax is due at the point of distribution to the end user in Ohio. The tax rate is \$0.47/gallon. In order to buy or sell in Ohio you must hold an Ohio Motor Fuel Dealer's License	Ethanol is treated like gasoline. The tax is due at the point of receipt in Ohio. The tax rate is \$0.385/gallon. In order to buy or sell in Ohio you must hold an Ohio Motor Fuel Dealer's License.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or "M85", and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.47	<b>Not Applicable</b>
<b>E85</b>	\$0.385	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Currently not taxed	
<b>Gasoline Hybrid Vehicles</b>	\$0.385	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.47	<b>Not Applicable</b>
<b>LPG (Liquefied Petroleum Gas)</b>	\$0.47	<b>Not Applicable</b>
<b>Methanol or "M85"</b>	\$0.385	<b>Not Applicable</b>
<b>Other</b>	\$0.47	<b>Not Applicable</b>

### **Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

N/A.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Additive Miscellaneous	\$0.47	Yes
Benzene	\$0.47	Yes
Butane, including butane-propane mix	\$0.47	Yes
Butylene	\$0.47	Yes
BOB	\$0.47	Yes
ETBE	\$0.47	Yes
Ethane	\$0.47	Yes
Ethylene	\$0.47	Yes
Isobutane	\$0.47	Yes
MTBE	\$0.47	Yes
Methane	\$0.47	Yes
Napthas	\$0.47	Yes
Pentanes, including isopentanes	\$0.47	Yes
Propylene	\$0.47	Yes
Raffinates	\$0.47	Yes
RBOB	\$0.47	Yes
TAME	\$0.47	Yes
Toluene	\$0.47	Yes
Waste Oil	\$0.47	Yes
Xylene	\$0.47	Yes

**Section 16-How does your state handle contaminated fuel?**

If contaminated fuel cannot be cleansed or if contaminated fuel cannot be utilized as another fuel type, then Ohio would permit a request for refund for the fuel which was contaminated. The refund claim form which would be utilized would be the MVF-14 Motor Fuel Casualty Loss Refund Claim. These claims would be thoroughly vetted to validate the loss of the fuel.

**Section 17-Does your state allow bad debt credits?**

The state of Ohio does not permit bad debt credits.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Monthly Dealer Report	On or before the last day of the month following the filing period	On or before the last day of the month following the filing period
Monthly Transporter Report	On or before the last day of the month following the filing period	On or before the last day of the month following the filing period

Monthly Exporter's Report	On or before the last day of the month following the filing period	On or before the last day of the month following the filing period
Monthly Terminal Report	On or before the last day of the month following the filing period	On or before the last day of the month following the filing period

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Ohio uses the postmark date to determine the timeliness of returns filed for Motor Fuel taxes.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Electronically filed returns for Ohio are considered timely if received by 11:59pm on the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Ohio considers the next business day as the due date for both returns and payments whose due date falls on a Holiday or weekend.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Monthly Dealer Report	The greater of 10% of Tax Due or \$50.00	The greater of 10% of Tax Due or \$50.00
Monthly Transporter Report	The greater of 10% of Tax Due or \$50.00	N/A
Monthly Exporter's Report	The greater of 10% of Tax Due or \$50.00	N/A
Monthly Terminal Report	The greater of 10% of Tax Due or \$50.00	N/A

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is defined as a Motor Fuel in the Ohio Revised Code section 5735.01 and is taxable at the rate of \$0.385.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, all individuals or companies that transport motor fuel by any manner to a point in Ohio are required to be registered. Transporters are required to submit monthly returns.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

N/A

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Tax is imposed on Gasoline upon receipt, Clear and Dyed Diesel are taxed upon disbursement.). Motor Fuel Tax Rates are subject to change at any time based upon the needs of the State. Tax is calculated on Gross Gallons.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

All motor fuel Dealer's in the State of Ohio are required to be bonded. The minimum acceptable amount of a bond is \$5,000.00. Ohio may request bonds for the other motor fuel account types if extenuating circumstances arise.

**Section 30-Define the hierarchy of licenses in each state, who is responsible**



**for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Distributor	X	1,2,3,4,5,6,8,10
Exporter		2
Terminal Operator		7,8,9,10
Transporter		6

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Ohio requires its licensed Dealers to collect and remit tax for applicable sales in Ohio. Should a Dealer choose to do business in another state, Ohio encourages them to determine that state's licensing and reporting requirements to ensure compliance.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

**If I need to amend a return, can I just amend the portion I am changing?**

No. Because returns are required to be filed electronically, an amended return is considered a complete reverse/replace. This means you must complete the entire return again, including the updated figures. This will override what was processed originally with the correct figures.

**Section 34-Does your state allow credit and rebills in the current month report?**

Ohio permits the practice of crediting and rebilling.

**Section 35-How many days are allowed to report late loads?**

Ohio does not have an allowance for reporting late loads. If it is discovered that load(s) are not reported in the correct filing period, an amended return would be required to be filed to include the loads in the proper period.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Per O. R. C. 5735.21(A):

(A) No person shall transport motor fuel in a bulk lot vehicle from or to a destination in this state unless the person possesses a shipping document created by a terminal or a bulk plant where the bulk lot vehicle received the fuel. The terminal or bulk plant shall provide the shipping document to the operator of the bulk lot vehicle and the document must contain all of the following:

- (1) The name and address of the terminal or bulk plant from which the motor fuel was received;
- (2) The name of the carrier;
- (3) The date the motor fuel was loaded;
- (4) The type of motor fuel and the number of gallons;

**Section 37-What entities are exempt / excluded in your state?  
Please cite the statutory reference.**

See O.R.C. 5735.05 for exceptions to the Ohio Motor Fuel Tax.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Amended returns must be filed within 4 years of the date of the original filing.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Applications for refund for Illegal or Erroneously Paid tax must be filed within four (4) years of the date of the illegal or erroneous payment (O.R.C. 5735.122)

Applications for refund for motor fuel used in a non-taxable manner must be filed within 365 days from the date of purchase (O.R.C. 5735.14, 5735.142, 5735.18)

Applications for refund of Retail Shrinkage must be filed within 120 days of the end of the Shrinkage Claim Period (June 30<sup>th</sup> & December 31<sup>st</sup>) (O.R.C. 5375.141)

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Motor fuel refunds may be obtained in Ohio including for the following situations:

- Illegal or Erroneously Paid Tax (Form MVF 106)
- Shrinkage (Form MVF 41)
- Casualty Loss (Form MVF 14-2)
- Industrial (Form MVF 4IND-2)
- Agricultural (Form MVF 4AG-2)
- Transit Bus (Form MVF 9-2)
- School Districts (Form MVF 81-2)
- U.S. Government/Fuel Sold Outside Ohio (Form MVF 82-2)

**Section 41- Does your state accept electronic BOLs?**

Ohio does not collect BOLs. The information from the BOL is reported on the monthly return.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Ohio accepts delivery date.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes. <https://tax.ohio.gov/business/ohio-business-taxes/excise/motor-fuel/motor-fuel>

# STATE OF OKLAHOMA

## **Section 1-Contact Information**

**Agency:** Oklahoma Tax Commission

**Name:** Rachel Lyne

**Street Address:** Oklahoma Tax Commission

**City, State Zip Code:** Oklahoma City, OK 73194

**Phone Number:** (405) 522-4312

**E-mail Address:** [rachel.lyne@tax.ok.gov](mailto:rachel.lyne@tax.ok.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Statutes : [http://www.oklegislature.gov/StatuesTitle 68, O.S. 500-563](http://www.oklegislature.gov/StatuesTitle%2068,%20O.S.%20500-563)  
[http://www.oklegislature.gov/StatuesTitle 68, O.S. 702-723](http://www.oklegislature.gov/StatuesTitle%2068,%20O.S.%20702-723)

Rules: -<http://www.tax.ok.gov/rules/rules.html>-Chapter 55

Statutes: Petroleum Underground Storage Fee: Title 17, O. S. 301-328

## **Section 3-State Point of Taxation**

**Gasoline:** Taxed upon removal across terminal rack or first import into state

**Diesel:** Taxed upon removal across terminal rack or first import into state

**Aviation Fuel:** Taxed upon removal across terminal rack or first import into state

**Jet Fuel:** Taxed upon removal across terminal rack or first import into state

**Compressed Natural Gas:** Retail -At the pump where CNG is dispensed

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: N/A

Point of Taxation: Position Holder or Exchange receiver at the rack. Title, 68 O.S. 500.20

Tax is due from the position holder when the product crosses the rack. (the person owning the inventory according to the records of the terminal operator). Title 68, O.S. 500.3 (58) and (67)

Exception – Two-party exchange-

The transaction includes a transfer from the person that holds the original inventory position for motor fuel in the terminal as reflected on the records of the terminal operator, and the exchange transaction is simultaneous with removal from the terminal by the receiving exchange partner.

However, in any event, the terminal operator in the books and records of such terminal operator treats the receiving exchange party as the supplier which removes the product across a terminal rack for purposes of reporting such events to this state.

Motor fuel that is imported into the state by an Occasional Importer wherein the tax has not been pre-collected they must remit the tax due within three days of the importation of the fuel into the state. Title 68, O.S. 500.18 (1).

### **Section 5-State Tax Rates**

**Gasoline:** \$.19 per gallon (Effective 7/1/18)

**Diesel:** \$.19 per gallon (Effective 7/1/18)

**Aviation Fuel:** \$.0008 per gallon

**Jet Fuel:** \$.0008 per gallon

Also there is a \$.01 per gallon Underground Storage Fee is due on all motor fuels.

**CNG (Compressed Natural Gas):** \$.05 per gallon

**LNG (Liquefied Natural Gas):** \$.05 per gallon effective January 1, 2014

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

§68-500.37. The supplier report required by this section shall include the following information with respect to billed gallons of motor fuel, for all products in the aggregate provided the supplier shall identify if billed gallon is net or gross.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

There is a \$.01 per gallon Underground Storage Fee is due on all motor fuels.

Statutes: Petroleum Underground Storage Fee: Title 17, O. S. 301-328

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

N/A

## **Section 8-State Collection Allowance**

68-500.27. Retainage of 0.1% of tax for administrative costs.

Every supplier and permissive supplier which properly remits tax under this act shall be allowed to retain one-tenth of one percent (0.1%) of the tax imposed by this act and collected and remitted by that supplier in accordance with this act to cover the costs of administration imposed by this act including reporting, audit compliance, dye injection, and shipping paper preparation.

## **Section 9-State Diversion Requirements**

**Diversion Required: Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** §68-500.29. Diversions of motor fuel - Payment of tax.

A. In the event an exporter diverts motor fuel removed from a terminal in this state from an intended destination outside this state as shown on the terminal-issued shipping papers to a destination within this state, the exporter, in addition to compliance with the notification provided for in Section 46 of this act, shall notify and pay the tax imposed by Section 4 of this act to the state upon the same terms and conditions as if the exporter were an occasional importer licensed under Section 18 of this act. Each supplier who elects to precollect tax pursuant to this act shall not be subject to any civil penalties or interest imposed pursuant to this act for any corrections resulting from a diversion of the motor fuel from the original destination as represented by the purchaser or the agent of the purchaser. However, the supplier and exporter under this subsection may, by mutual agreement, permit the supplier to assume the liability of the exporter and adjust the taxes of the exporter payable to the supplier.

B. In the event that an exporter removes from a bulk plant in this state motor fuel as to which the tax imposed by this act has previously been paid or accrued, the exporter may apply for and the state shall issue a refund of the tax upon a showing of proof of export satisfactory to the Commission in conformity with Section 11 of this act.

C. In the event that an unlicensed importer diverts motor fuel from a destination outside this state to a destination inside this state after having removed the product from a terminal outside this state, the importer, in addition to compliance with the notification provided for in Section 46 of this act, shall notify the state and shall pay the tax imposed by this act to this state upon the same terms and conditions as if the unlicensed importer were a licensed occasional importer subject to Section 18 of this act without deduction for the allowances provided by Section 27 of this act. However, an importer who has purchased the product from a licensed supplier may, by mutual agreement with the supplier, permit the supplier to assume the liability of the importer and adjust the taxes of the importer payable to the supplier.

D. All licensed importers shall otherwise report and pay tax on diversions into this state of imported product under Section 18 of this act in accordance with the rules applicable to that license class. However, an importer who has purchased the product from a licensed supplier may, by mutual agreement with the supplier, permit the supplier to assume the liability of the

importer and adjust the taxes of the importer payable to the supplier.

E. If a monthly report is filed or the amount due is remitted later than the time required by this act, the tax remitter shall pay to the Commission all of the motor fuel tax the remitter collected from the sale of motor fuel during the taxable period in addition to penalties and interest.

F. In the event of a legal diversion from a destination in this state to another state, Section 45 of this act shall apply and an unlicensed exporter diverting the product shall apply for a refund from this state in conformity with paragraph 2 of Section 10 of this act and Section 11 of this act.

However, a supplier may take a credit for diversions directed by that supplier for the account of the supplier. Additionally, the exporter may, by mutual agreement with the supplier, assign the claim of the exporter to the supplier for which the supplier may take a credit.

G. In the event that the second state involved in a cross-border shipment has entered into a multi-state compact with this state, the diverter shall pay or seek refund only upon the difference in state taxes with notice to both states upon proof shown of payment to the actual destination state. The Commission shall periodically determine procedures for making this adjustment and a list of those states which meet these criteria.

**What diversion registry program do you use?** Fuel Trac III

**What products are subject to the diversion requirement?**

All taxable products

### **Diversion Requirements**

Must provide notification of diversion to the commission, that a verification number be assigned and manually added to the fact of the shipping paper. Supplier must cancel and rebill.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Supplier must request refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Supplier must credit/rebill

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

Oklahoma is the proud home of the Central Oklahoma ([www.okcleancities.org](http://www.okcleancities.org)) and Tulsa Area ([www.tulsacleancities.com](http://www.tulsacleancities.com)) Clean Cities Coalitions. Coordinator contact information is listed at the bottom of the page under Points of Contact.

### **State Incentives Biofuels Tax Exemption**

Biofuels or biodiesel produced by an individual with feedstocks grown on property owned by the same individual and used in a vehicle owned by the same individual on public roads and highways are exempt from the state motor fuel excise tax. (Reference [House Bill](#) 1916, 2007, and [Oklahoma Statutes](#) 68-500.4 and 68-500.10)

**Alternative Fuel Vehicle (AFV) Tax Credit**

Until January 1, 2020, Oklahoma provides a one-time income tax credit for 50% of the cost of converting a vehicle to operate on an alternative fuel, or for 50% of the incremental cost of purchasing a new Original Equipment Manufacturer AFV. The state also provides a tax credit for 10% of the total vehicle cost, up to \$1,500, if the incremental cost of a new AFV cannot be determined or when an AFV is resold, as long as a tax credit has not been previously taken on the vehicle. The alternative fuels eligible for the credit include compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), methanol, and electricity. For qualified electric vehicle property propelled by electricity only, the basis for the credit is the full purchase price of the vehicle. For vehicles also equipped with an internal combustion engine, the basis for the credit is limited to the portion of such motor vehicle which is attributable to the propulsion of the vehicle by electricity. (Reference [Oklahoma Statutes](#) 68-2357.22)

**Alternative Fuel Vehicle (AFV) and Refueling Infrastructure Tax Credit**

The state provides a tax credit for up to 50% of the cost of installing refueling infrastructure for AFVs. These tax credits may be carried forward for up to three years. The alternative fuels eligible for the credit include compressed natural gas (CNG), liquefied natural gas (LNG), liquefied petroleum gas (LPG), methanol, and electricity. (Reference [Oklahoma Statutes](#) 68-2357.22)

**Biodiesel Production Facility Tax Credit**

For tax years beginning after December 31, 2004, and before January 1, 2013, a biodiesel (B100) production facility is allowed a credit of \$0.20 per gallon of biodiesel produced. An eligible biodiesel facility must produce at least 25% of its nameplate design capacity for at least six months after the first month for which it is eligible to receive the credit, on or before December 31, 2008. The credit is allowed for 60 months beginning with the first month for which the facility is eligible to receive the credit and ending not later than December 31, 2012. An eligible facility may also receive a credit of \$0.20 per gallon for biodiesel produced in excess of the original nameplate design capacity which results from expansion of the facility completed on or after the effective date of this act and before December 31, 2008. Beginning January 1, 2013, a biodiesel facility may receive a credit of \$0.075 per gallon of biodiesel, for new production for a period not to exceed 36 consecutive months. Additional restrictions apply. (Reference [House Bill](#) 1513, 2007, and [Oklahoma Statutes](#) 68-2357.67) Repealed effective January 1, 2014

**Ethanol Production Tax Credit**

For tax years beginning after December 31, 2003, and before January 1, 2013, an ethanol production facility is allowed a tax credit in the amount of \$0.20 per gallon of ethanol produced, for 60 months beginning with the first month for which the facility is eligible to receive such credit. The credit may only be claimed if the ethanol facility maintains an average production rate of at least 25% of its nameplate design capacity for at least six months after the first month for which it is eligible to receive the credit, on or before December 31, 2010. Producers are also eligible for an expansion credit of \$0.20 per gallon of ethanol produced in excess of the original nameplate capacity that results from expansion of the facility before December 31, 2008. Beginning January 1, 2013, an ethanol facility is eligible for a credit of \$0.075 per gallon of ethanol, before denaturing, for new production for a period not to exceed 36 consecutive months.



(Reference [House Bill 1513](#), 2007, and [Oklahoma Statutes 68-2357.66](#)) Repealed effective January 1, 2014

#### **Ethanol Fuel Retailer Tax Credit**

A retailer of ethanol-blended fuel (blended gasoline consisting of not more than 15% ethyl alcohol by volume) may claim a motor fuel tax credit of \$0.016 for each gallon of ethanol fuel sold in Oklahoma, if the retailer provides a price reduction to the purchaser of the ethanol fuel in the same amount. This incentive is effective unless the federal government mandates the use of reformulated fuel in an area within the State of Oklahoma that is in non-attainment with the National Ambient Air Quality Standards. (Reference [Oklahoma Statutes 68-500.10-1](#))

#### **Alternative Fuel Vehicle (AFV) and Refueling Infrastructure Loans**

The Department of Central Services has an Alternative Fuels Loan program to help convert government-owned fleets to operate on alternative fuels. This program provides 0% interest loans for converting vehicles to operate on an alternative fuel, for the construction of refueling infrastructure, and for the incremental cost associated with the purchase of an Original Equipment Manufacturer AFV. The program provides up to \$10,000 per converted or newly purchased vehicle and up to \$150,000 for refueling infrastructure. Repayment is made from fuel savings during a maximum seven-year period. If the price of alternative fuels does not remain below the price of the conventional fuel that was replaced, repayment is suspended. Eligible applicants include state and county agencies and divisions, municipalities, school districts, mass transit authorities, and public trust authorities. (Reference [Oklahoma Statutes 74-130.4](#))

#### **Alternative Fuel Vehicle (AFV) Loans**

Oklahoma has a private loan program with a 3% interest rate for the cost of converting private fleets to operate on alternative fuels, for the incremental cost of purchasing an Original Equipment Manufacturer AFV, and for the installation of AFV refueling infrastructure. The repayment of the loan is made from fuel savings during a maximum three-year period.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.19/gallon	B100 is taxable	Subject to Environmental Fee	\$0.19/gallon	Not taxable until blended	Not taxable until blended

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel. The tax rate is \$0.19/gallon. Bonded Importer License required.	Ethanol is not taxed until blended. The tax rate is \$0.19/gallon. Bonded Importer License required.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

Fuel Type	Taxability	Conversion Rate if applicable		
		Unit of Measure	BTUs/Unit	Gallon Equivalent
<b>CNG (Compressed Natural Gas)</b>	\$0.05 per gasoline gallons equivalent (gge).	cubic foot	900	126.67 cu. ft.
<b>E85</b>	The tax rate is \$0.19/gallon.	<b>Not Applicable</b>		
<b>Electric Vehicles/Electricity</b>	Not addressed in our Statutes	<b>Not Applicable</b>		
<b>Gasoline Hybrid Vehicles</b>	Taxes only the gasoline that is placed in the hybrid vehicle \$0.19 per gallon	<b>Not Applicable</b>		
<b>Hydrogen</b>	Not addressed in our Statutes	<b>Not Applicable</b>		
<b>LNG (Liquefied Natural Gas)</b>	\$0.05 per diesel gallons equivalent (dge).	<b>Six and six one hundredths (6.06) pounds of liquefied natural gas</b>		
<b>LPG (Liquefied Petroleum Gas)</b>	Required to obtain an annual Flat Fee Decal. Fee is based on the weight of the vehicle. For out-of-state vehicle-\$0.16 per gallon	<b>Not Applicable</b>		
<b>Methanol or “M85”</b>	Required to obtain an annual Flat Fee Decal. Fee is based on the weight of the vehicle. For out-of-state vehicle \$0.16 per gallon	<b>Not Applicable</b>		
<b>Other</b>	Not Applicable	<b>Not Applicable</b>		

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

Yes. It is administered by Oklahoma Propane Gas Association/ Oklahoma LP Gas Research Marketing & Safety Commission. <https://oklpgas.org/>

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
Alcohol		Yes
Other		Yes

**Section 16-How does your state handle contaminated fuel?**

**§68-500.10. Exemptions from motor fuels tax.**

14. Motor fuel which was lost or destroyed as a direct result of a sudden and unexpected casualty;

15. Taxable diesel which had been accidentally contaminated by dye so as to be unsaleable as highway fuel as proved by proper documentation;

**§68-500.14. Perfection of certain exemptions by refund claim.**

B. The exemption for motor fuel pursuant to paragraphs 14 and 15 of Section 500.10 of this title which fuel was purchased tax paid for a taxable use and was, after the purchase, contaminated by the presence of a dye or marker or subject to a sudden and unexpected casualty loss shall be refunded to the person responsible for the contamination or loss event upon application therefor and on proof shown acceptable to the Tax Commission.

**Section 17-Does your state allow bad debt credits?**

§68-500.24. Suppliers' entitlement to credit for uncollectible taxes.

A. In computing the amount of motor fuel tax due, the supplier shall be entitled to a credit against the tax payable the amount of tax paid by the supplier that has become uncollectible from an eligible purchaser.

B. The supplier shall provide notice to the Commission of a failure to collect tax within ten (10) business days following the date on which the supplier was earliest entitled to collect the tax from the eligible purchaser under Section 22 of this act.

C. The Commission shall adopt rules establishing the evidence a supplier must provide to receive the credit.

D. The credit shall be claimed on the first return following the expiration of the ten-day period as provided in this section if the payment remains unpaid as of the filing date of that return or the credit shall be disallowed.

E. The claim for credit shall identify the defaulting eligible purchaser and any tax liability that remains unpaid.

F. If an eligible purchaser fails to make a timely payment of the amount of tax due, the credit of the supplier shall be limited to the amount due from the purchaser, plus any tax that accrues from that purchaser for a period of ten (10) days following the date of failure to pay.

G. No additional credit shall be allowed to a supplier under this section until the Commission has authorized the purchaser to make a new election under Section 23 of this act.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Three Day Permit Voucher	The payment of taxes will be due three days from the date the import diversion verification number is assigned or three days from the date the motor fuel entered Oklahoma. The earlier of the two dates determines the official due date of this payment.	The payment of taxes will be due three days from the date the import diversion verification number is assigned or three days from the date the motor fuel entered Oklahoma. The earlier of the two dates determines the official due date of this payment.
Suppliers/Permissive Suppliers Report	Effective 11/1/19 the due date is changing from the 27 <sup>th</sup> of the following month to the 20 <sup>th</sup> of the following month	All suppliers/permissive suppliers are required to remit the motor fuel tax shall remit the motor fuel taxes due by electronic fund transfer acceptable to the Commission. The transfer or payment shall be made on or before the date the tax is due.
Alternative Fuel Report	27 <sup>th</sup> of the following month	27 <sup>th</sup> of the following month
Occasional Importer Report	27 <sup>th</sup> of the following month	27 <sup>th</sup> of the following month
Bonded Importer Report	Effective 11/1/19 the due date is changing from the 27 <sup>th</sup> of the following month to the 20 <sup>th</sup> of the following month	All bonded importers are required to remit the motor fuel tax shall remit the motor fuel taxes due by electronic fund transfer acceptable to the Commission. The transfer or payment shall be made on or before the date the tax is due.
Tankwagon Importer Report	25 <sup>th</sup> of the following month	25 <sup>th</sup> of the following month
Exporter Report	27 <sup>th</sup> of the following month	N/A
Terminal Operator Report	27 <sup>th</sup> of the following month	N/A
Fuel Blender Report	The report will be due within thirty (30) days of the blending event	The payment of taxes will be due within thirty (30) days of the blending event

Petroleum Underground Storage Report	This report is due the same date as the required fuel tax report.	The tax is due the same date as the required fuel tax report
Special Fuel Report	20th of the following month	20th of the following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked by due date

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

11:59 pm on due date

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Next business day

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Three Day Permit Voucher		Calculate any penalty due by multiplying tax due by 10% if remittance is not received thirty (30) days from the due date date). (Interest accrues at 1.25% per month until tax is paid).
All other Motor Fuel Reports		10% penalty of the total tax if not paid within 15 days of the due date and 1.25% per month interest of the total tax per month from the due date.

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Ethanol when blended is treated and taxed like gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Each licensed transporter shall file a monthly report concerning the amount of motor fuel transported within or across the borders of this state. However, transport truck operations exclusively within the state and those transport trucks operated by a supplier are not reportable.

Note: At this time the Commission is not requiring the filing of the monthly carrier reports.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

The position holder is the supplier responsible for reporting terminal rack removals and paying any applicable excise tax to the state.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Oklahoma allows the deferral of the state motor fuel taxes by a licensed supplier or bonded importer for sales made to a licensed eligible purchaser. the seller shall not require a payment of motor fuel tax on transport truck loads from the purchaser sooner than two (2) business days prior to the date on which the tax is required to be remitted by the supplier or bonded importer.

§68-500.22. Election by eligible purchasers to defer motor fuel tax remittances.

§68-500.24. Suppliers' entitlement to credit for uncollectible taxes.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

The Underground Storage Fee/Assessment is imposed at the time of the sale of the motor fuel and shall be pre-collected and remitted to the Oklahoma Tax Commission; therefore, we allow the deferral of the Underground Storage Fee/Assessment on sales of motor fuel to licensed eligible purchasers.

§17-327.1. Assessment on motor fuel – Exemptions - Allocation.

§17-327.2. Duty to precollect assessment – Collection report.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Dyed diesel fuel may be subject to sales tax, depending upon the sales tax exemptions. Sales tax is based on the purchase price of the fuel. The State sales tax rate is set statutorily at 4.50%, plus county and city sales tax rates.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Applicants for the following licenses shall be required to post a bond:

- (1) Terminal operators
- (2) Exporters
- (3) Transporters
- (4) Tank wagon operator-importers
- (5) Suppliers and permissive suppliers
- (6) Bonded importers

(b) **Single bond required from applicant for multiple licenses.** An applicant for more than one license shall be required to post only one (1) bond. The bond shall be posted in the greatest amount required for one of the licenses.

(c) **Computation of amount of bond.** Bonds required for licenses described in this Part shall be posted in amounts determined by (1) through (6) of this subsection:

(1) **Terminal operators.** Terminal operators must post a bond in an amount not less than three (3) months estimated tax liability, but not to exceed Five Hundred Thousand Dollars (\$500,000.00). The initial bond shall be in the amount of Two Thousand Dollars (\$2,000.00).

(2) **Exporters.** Exporters must post a bond in an amount not less than three (3) months estimated tax liability, but not to exceed One Million Dollars (\$1,000,000.00). The initial bond shall be in the amount of Two Thousand Dollars (\$2,000.00).

(3) **Transporters.** Transporters must post a bond in an amount not less than three (3) months estimated tax liability, but not to exceed One Hundred Thousand Dollars (\$100,000.00). The initial bond shall be in the amount of Two Thousand Dollars (\$2,000.00).

(4) **Tank wagon operators-importers.** Tank wagon operators-importers must post a bond in an amount not less than three (3) months estimated tax liability, but not to exceed Fifty Thousand Dollars (\$50,000.00).

(5) **Suppliers; permissive suppliers; bonded importers.** Suppliers, permissive suppliers, and bonded importers must post a bond in an amount not less than three (3) months estimated tax liability, but not less than One Hundred Thousand Dollars (\$100,000.00), nor more than Two Million Dollars (\$2,000,000.00).

(d) **Alternative to posting bond for supplier's or bonded importer's licenses.** In lieu of posting a bond, an applicant for a supplier's or bonded importer's license, may show proof of financial responsibility. Proof of financial responsibility shall be evidenced by proof of Five Million Dollars (\$5,000,000.00) net worth. "**Net worth**" means total assets, minus total liabilities, as evidenced in a statement from an independent auditor prepared within six (6) months of the date of application.

(e) **Form of bond.** All bonds shall be in the form of a surety bond, upon a form provided by the Tax Commission, or a cash deposit or certificate of deposit.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier/Permissive Supplier	X	1,2,3,4,5,6,8,9,10
Bonded Importer	X	1,3,4
Occasional Importer	X	1,3,4
Tankwagon Operator	X	1,2,4
Exporter		2
Fuel Blender	X	3,4,8
Terminal Operator		7
Eligible Purchaser		3,4
Fuel Vendor (CNG & LNG)	X	4
Fuel Vendor (Retailer)		4
Fuel Vendor (Wholesaler)		3

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**



Yes for licensed Supplier/Permissive Suppliers

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically. The entire return must be amended.

**Section 34-Does your state allow credit and rebills on the current month report?**

N/A

**Section 35-How many days are allowed to report late loads?**

There is no statutory allowance for late load reporting. All late loads are subject to the tax due for the period when shipment occurred, the interest due, and any applicable penalties for late payment.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

§68-500.44. Shipping documents - Contents - Manual preparation - Certain bulk plant operators exempted - Split loads - Posting of notice - Penalties.

A. Each person operating a refinery, terminal, or bulk plant in this state shall prepare and provide to the driver of every fuel transportation vehicle receiving motor fuel into the vehicle storage tank at the facility a shipping document setting out on its face:

1. Identification by address of the terminal or bulk plant from which the motor fuel was removed;
2. The date the motor fuel was removed;
3. The amount of motor fuel removed, actual gallons and net gallons;
4. The state of destination as represented to the terminal operator by the transporter, the shipper or the agent of the shipper; and
5. Any other information reasonably required by the Commission for the enforcement of this act.

B. A terminal operator may manually prepare shipping papers if the terminal does not have the ability to prepare automated shipping papers or as a result of extraordinary unforeseen circumstances, including acts of God, which temporarily interfere with the ability of the terminal operator to issue automated machine-generated shipping papers. However, the terminal operator shall, prior to manually preparing the papers, provide, in the case of a terminal not having the ability to prepare automated shipping papers, written notice to the Commission, or in the case of extraordinary circumstances, telephonic notice to the Commission and obtain a service interruption authorization number which the employees of the terminal operator shall add to the manually prepared papers prior to removal of each effected transport load from the terminal. The service interruption authorization number shall be valid for use by the terminal operator for a period not to

exceed twenty-four (24) hours. If the interruption has not been cured within the

C. twenty-four-hour period, additional notice(s) to the Commission shall be required and interruption authorization number(s) may be issued upon explanation by the terminal operator satisfactory to the Commission. If the terminal operator acquires the ability to prepare automated machine-printed shipping papers, the terminal operator shall notify the Commission no later than ten (10) days prior to the initial use of such capability.

D. An operator of a bulk plant in this state delivering motor fuel into a tank wagon for subsequent delivery to a consumer in this state shall be exempt from this section. An operator of a bulk plant in this state shall not be required to identify net gallons on the shipping documents as provided by this section.

E. A terminal operator may load motor or diesel fuel, a portion of which fuel is destined for sale or use in this state and a portion of which fuel is destined for sale or use in another state or states. However, such split loads removed shall be documented by the terminal operator by issuing shipping papers designating the state of destination for each portion of the fuel.

F. Each terminal operator shall post a conspicuous notice proximately located to the point of receipt of shipping papers by transport truck operators, which notice shall describe in clear and concise terms the duties of the transport operator and retail dealer under Section 45 of this act, provided that the Commission may by rule or notice establish the language, type, style and format of the notice.

G. A person who knowingly violates or knowingly aids and abets another to violate this section with the intent to evade the tax levied by this act shall be guilty of a misdemeanor and shall, upon conviction, be fined not more than One Thousand Dollars (\$1,000.00), or be sentenced to a term of not more than one (1) year in the county jail, or shall be punishable by both such fine and imprisonment.

Added by Laws 1996, c. 345, § 44, eff. Oct. 1, 1996.

#### §68-500.54. Certain statements on shipping papers prohibited.

A. No terminal operator shall imprint, and no supplier shall knowingly permit a terminal operator to imprint on behalf of the supplier, any statement on a shipping paper relating to motor fuel to be delivered to this state or to a state having substantially the same shipping paper legending requirements with respect to:

1. Any responsibility of the supplier or liability for payment of the tax imposed by this act; or

2. The tax-paid or tax-collected status of any motor fuel unless the supplier or representative of the supplier shall have first provided the terminal operator with a representation or direction to make the statement on behalf of the supplier.

B. Any terminal operator who shall knowingly imprint any statement in violation of this section shall be jointly and severally liable for all the taxes levied by this act which are not collected by this state as a result of such actions.

C. Any supplier who knowingly violates this section shall be jointly and severally liable with the terminal operator.

Added by Laws 1996, c. 345, § 54, eff. Oct. 1, 1996.

#### §68-500.55. Notice to be provided and posted with dyed diesel fuel.

A notice stating "DYED DIESEL FUEL, NONTAXABLE USE ONLY, PENALTY FOR TAXABLE USE" shall be:

1. Provided by the terminal operator to any person that receives dyed diesel fuel at a terminal rack of that terminal operator;

2. Provided by any seller of dyed diesel fuel to its buyer if the diesel fuel is located outside the bulk transfer/terminal system and is not sold from a retail pump posted in accordance with the requirements of paragraph 3 of this section; and

3. Posted by a seller on any retail pump where it sells dyed diesel fuel for use by its buyer. The form of notice required under paragraphs 1 and 2 of this section shall be provided by the time of the removal or sale and shall appear on shipping papers, bills of lading, and invoices accompanying the sale or removal of the dyed diesel fuel.

Added by Laws 1996, c. 345, § 55, eff. Oct. 1, 1996.

§68-500.56. Shipping papers to meet tamper-resistant standards.

Each terminal operator in this state and every supplier licensed by this state for the collection of tax on motor fuel shall cause terminal-issued shipping papers to meet such tamper-resistant standards as the Commission may by regulation require including, but not limited to messages which identify whether shipping papers have been photocopied, numbering systems, nonreproducible coding and other devices. However, the Commission may not make any such regulations effective earlier than twenty-four (24) months after the promulgation of a final regulation imposing the requirements.

Added by Laws 1996, c. 345, § 56, eff. Oct. 1, 1996.

§68-500.58. Failure to precollect or timely remit tax - Fraudulent returns - Operation of motor vehicle in violation of act - Transporting motor fuel without adequate shipping papers - Terminal operators failing to meet shipping paper requirements - Penalties.

A. A supplier, permissive supplier, or importer who knowingly fails to precollect or timely remit tax otherwise required to be paid over to the Commission pursuant to Section 500.18 or 500.20 of this title, or pursuant to a tax precollection agreement under Section 500.19 of this title shall be liable for the uncollected tax plus the appropriate penalties as set forth in Section 217 of this title.

B. If any person liable for the tax under this act files a false or fraudulent return with the intent to evade the tax, then fifty percent (50%) of the total amount of any deficiency, in addition to the deficiency, including interest as provided in Section 217 of this title, shall be added, collected and paid.

C. Any person operating a motor vehicle in violation of Section 500.45, 500.49 or 500.50 of this title shall be guilty of a misdemeanor for the first offense and shall, upon conviction, be fined not more than Five Hundred Dollars (\$500.00), or shall be sentenced to a term of not more than six (6) months in the county jail, or shall be punishable by both such fine and imprisonment. For the second and each subsequent offense, violators shall be guilty of a misdemeanor and shall, upon conviction, be fined not more than One Thousand Dollars (\$1,000.00), or shall be sentenced to a term of not more than one (1) year in the county jail, or shall be punishable by both such fine and imprisonment.

D. The Commission shall impose a civil penalty of One Thousand Dollars (\$1,000.00) for the first occurrence of transporting motor fuel without adequate shipping papers annotated as required under Section 500.45, 500.49 or 500.50 of this title. Each subsequent occurrence described in this subsection is subject to a civil penalty of Five Thousand Dollars (\$5,000.00).

E. The Commission may impose a civil penalty against every terminal operator that fails to meet shipping paper issuance requirements under Sections 500.21, 500.44 and 500.55 of this title.

The civil penalty imposed on the terminal operator shall be the same as the civil penalty imposed under subsection D of this section.

Added by Laws 1996, c. 345, § 58, eff. Oct. 1, 1996. Amended by Laws 2002, c. 460, § 38, eff. Nov. 1, 2002.

### **Section 37-What entities are exempt / excluded in your state?**

#### **Please cite the statutory reference.**

§68-500.10. Exemptions from motor fuels tax.

Subject to the procedural requirements and conditions set out in this section and Sections 500.11 through 500.17 of this title, the following are exempt from the taxes on motor fuel imposed by Section 500.4 of this title and Section 6 of Enrolled House Bill No. 1010 of the 2nd Extraordinary Session of the 56th Oklahoma Legislature:

1. Motor fuel for which proof of export is available in the form of a terminal-issued destination state shipping paper:

- a. exported by a supplier who is licensed in the destination state, or
- b. sold by a supplier to a licensed exporter for immediate export;

2. Motor fuel which was acquired by an unlicensed exporter and as to which the tax imposed by Section 500.4 of this title has previously been paid or accrued and was subsequently exported by transport truck by or on behalf of the licensed exporter in a diversion across state boundaries properly reported in conformity with Section 500.46 of this title;

3. Motor fuel exported out of a bulk plant in this state in a tank wagon if the destination of that vehicle does not exceed twenty-five (25) miles from the border of this state and as to which the tax imposed by Section 500.4 of this title has previously been paid or accrued, subject to gallonage limits and other conditions established by the Oklahoma Tax Commission;

4. K-1 kerosene sold at retail through dispensers which have been designed and constructed to prevent delivery directly from the dispenser into a vehicle fuel supply tank, and K- 1 kerosene sold at retail through nonbarricaded dispensers in quantities of not more than twenty- one (21) gallons for use other than for highway purposes, under such rules as the Tax Commission shall reasonably require;

5. Motor fuel sold to the United States or any agency or instrumentality thereof;

6. Motor fuel used solely and exclusively in district-owned public school vehicles or FFA and 4-H Club trucks for the purpose of legally transporting public school children, and motor fuel purchased by any school district for use exclusively in school buses leased or hired for the purpose of legally transporting public school children, or in the operation of vehicles used in driver training;

7. Motor fuel used solely and exclusively as fuel to propel motor vehicles on the public roads and highways of this state, when leased or owned and being operated for the sole benefit of a county, city, town, a volunteer fire department with a state certification and rating, rural electric cooperatives, rural water and sewer districts, rural irrigation districts organized under the Oklahoma Irrigation District Act, conservancy districts and master conservancy districts organized under the Conservancy Act of Oklahoma, rural ambulance service districts, or federally recognized Indian tribes;

8. Motor fuel used as fuel for farm tractors or stationary engines owned or leased and operated by any person and used exclusively for agricultural purposes, except as to two and eight one-hundredths cents (\$0.0208) per gallon of gasoline as provided in subsection C of Section 500.4 of this title;

9. Gasoline, diesel fuel and kerosene sold for use as fuel to generate power in aircraft engines, whether in aircraft or for training, testing or research purposes of aircraft engines, except as to eight one-hundredths of one cent (\$0.0008) per gallon as provided in subsection B of Section 500.4 of this title;

10. Motor fuel sold within an Indian reservation or within Indian country by a federally recognized Indian tribe to a member of that tribe and used in motor vehicles owned by that member of the tribe. This exemption does not apply to sales within an Indian reservation or within Indian country by a federally recognized Indian tribe to non-Indian consumers or to Indian consumers who are not members of the tribe selling the motor fuel;

11. Subject to determination by the Tax Commission, that portion of diesel fuel:

- a. used to operate equipment attached to a motor vehicle, if the diesel fuel was placed into the fuel supply tank of a motor vehicle that has a common fuel reservoir for travel on a highway and for the operation of equipment, or
- b. consumed by the vehicle while the vehicle is parked off the highways of this state;

12. Motor fuel acquired by a consumer out of state and carried into this state, retained within and consumed from the same vehicle fuel supply tank within which it was imported;

13. Diesel fuel used as heating oil, or in railroad locomotives or any other motorized flanged-wheel rail equipment, or used for other nonhighway purposes other than as expressly exempted under another provision;

14. Motor fuel which was lost or destroyed as a direct result of a sudden and unexpected casualty;

15. Taxable diesel which had been accidentally contaminated by dye so as to be unsaleable as highway fuel as proved by proper documentation;

16. Dyed diesel fuel;

17. Motor fuel sold to the Oklahoma Space Industry Development Authority or any spaceport user as defined in the Oklahoma Space Industry Development Act; and

18. Biofuels or biodiesel produced by an individual with crops grown on property owned by the same individual and used in a vehicle owned by the same individual on the public roads and highways of this state.

Added by Laws 1996, c. 345, § 10, eff. Oct. 1, 1996. Amended by Laws 1999, c. 164, § 38, eff. July 1, 1999; Laws 2007, c. 267, § 2, eff. Jan. 1, 2008; Laws 2009, c. 426, § 7, eff. July 1, 2009; Laws 2018, 2nd Ex. Sess., c. 11, § 1.

NOTE: Sections 2 and 3 of House Bill No. 1015 of the 2nd Extraordinary Session of the 56th Oklahoma Legislature state that this section shall become effective upon the date the provisions of House Bill No. 1010 of the 2nd Extraordinary Session of the 56th Oklahoma Legislature become effective, and is contingent upon enactment of that bill. House Bill No. 1010 was signed by the Governor on March 29, 2018.

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Pursuant to Title 68 O.S. § 227, the refund claim must be filed within three years from the date of

payment of the erroneously paid motor fuel tax.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

For certain exemptions that are claimed by a refund claim, the claim must be received within three (3) years following the last calendar month in which the tax was paid. See: §68-500.14. Perfection of certain exemptions by refund claim.

For credit of Ultimate Vendor Certificates-the certificate shall be for a period not to exceed three (3) years. See: §68-500.13. Procedures for tax exempt sales of motor fuel to governmental agencies.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Oklahoma does not have an amended return refund claim form. Amended returns that result in an overpayment for the period will be considered for a refund.

**Section 41- Does your state accept electronic BOLs?**

Currently, we do not accept electronic BOLs.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

The BOL date is required.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

<https://oklahoma.gov/tax/forms.html> Filter for Business Tax → Motor Fuel

Forms processing please contact Regena Bittinger 405-522-0597 rbittinger@tax.ok.gov

# STATE OF OREGON

## **Section 1-Contact Information**

**Agency:** Oregon Department of Transportation

**Name:** Jessyca Stafford, Interim Revenue Manager

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**Street Address:** 355 Capitol Street NE-MS21 City,

**State Zip Code:** Salem, OR 97301

**Phone Number:** 503-378-8150 (general number); 458-233-0634 (direct line) Toll Free: 888-753-2525

**Fax Number:** 503-378-3060

**E-mail Address:** [ODOTFuelsTax@odot.oregon.gov](mailto:ODOTFuelsTax@odot.oregon.gov)  
[Jessyca.M.Stafford@odot.oregon.gov](mailto:Jessyca.M.Stafford@odot.oregon.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Oregon Revised Statutes Chapter 319

[https://www.oregonlegislature.gov/bills\\_laws/Pages/ORS.aspx](https://www.oregonlegislature.gov/bills_laws/Pages/ORS.aspx) Oregon

Administrative Rules Divisions 170, 176, 174

<http://www.oregon.gov/ODOT/CS/FTG/Pages/adminrules.aspx>

## **Section 3-State Point of Taxation**

**Gasoline:** 1st distribution/sale

**Diesel:** When placed into the fuel tank of a vehicle used on the highway

**Aviation Fuel:** 1st distribution/sale

**Jet Fuel:** 1st distribution/sale

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: Not defined in statute. First sale is defined in ORS 319.010 (9) as:

“First sale, use or distribution of motor vehicle fuel or aircraft fuel” means the first withdrawal,

other than by bulk transfer, of motor vehicle fuel or aircraft fuel from terminal storage facilities for sale, use or distribution. “First sale, use or distribution of motor vehicle fuel or aircraft fuel” also means the first sale, use or distribution of motor vehicle fuel or aircraft fuel after import into this state if the motor vehicle fuel or aircraft fuel is delivered other than to the terminal storage facilities of a licensed dealer.

Point of Taxation: ORS 319.020 and 319.530 defines who owes the fuels tax and when it is due and payable.

### **Section 5-State Tax Rates**

**Gasoline:** \$0.40/gallon.

**Diesel:** \$0.40/gallon. **Aviation**

**Fuel:** \$0.11/gallon **Jet Fuel:**

\$0.03/gallon

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Gross, net, or billed gallons are  
accepted as long as they the  
selected choice is consistently  
used.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Petroleum Load Fee: \$10.00 per load – Oregon Revised Statutes 465.101 Underground Storage Tank Fee – Oregon Revised Statutes 466.785

### **Section 7-Rate Updates**

**Please list any rate updates for your state:** January 1, 2024, Motor Vehicle Fuel and Use Fuel tax rate will increase to \$0.40 per gallon.

### **Section 8-State Collection Allowance**

Use Fuel Sellers are allowed to keep 4% of the tax collected provided they file and pay in a timely



manner. Sellers are defined as those placing the fuel into the fuel tank of a motor vehicle for a price. Generally, these are retail fueling stations or cardlock facilities.

### **Section 9-State Diversion Requirements**

#### **Diversion Required**

No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use?**

**What products are subject to the diversion requirement?**

#### **Diversion Requirements**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

### **Section 10-Alternative Fuels Incentives and Laws**

Oregon is the proud home of the Columbia Willamette Clean Cities Coalition, Inc. ([www.cwcleancities.org](http://www.cwcleancities.org)) and the Rogue Valley Clean Cities Coalition. Coordinator contact information is listed in the Points of Contact section.

#### **State Incentives**

##### **Biofuels Production Property Tax Exemption**

Property used to produce biofuels may be eligible for a property tax exemption, provided that it is located in a designated Renewable Energy Development Zone. The Oregon Economic and Community Development Department must receive and approve an application from a qualified rural area to designate the area as a Rural Renewable Energy Development Zone. (Reference [House Bill](#) 2210, 2007, and [Oregon Revised Statutes](#) 285C.350 and 285C.353)

This program has expanded over time to include additional counties, see below.

Rural Renewable Energy Development (RRED) Zones offer an incentive to encourage new investments that either:

- Harness wind, geothermal, solar, biomass or other unconventional forms of energy in

- Oregon to generate electricity, or
- Produce, distribute or store any of a wide variety of biofuels.

Throughout Oregon, a city, county or several contiguous counties can set up a RRED Zone that covers all the territory in the jurisdiction(s) outside the urban growth boundary (UGB) of any large city or metropolitan area.

The abatement is the [standard \(3- to 5-year\) exemption](#) from local taxes on qualified property available in any enterprise zone, except that in a RRED Zone it is only for renewable energy activities (which also are eligible in an enterprise zone). In addition, the total amount of property (among one or more projects) that can qualify is subject to a locally-set cap with each RRED Zone designation of \$250 million or less in initial market value.

Since 2013, the local government sponsor (county) may waive the requirement to create full-time employment with a new project, if the cost of the investment is \$5 million or more. This is like the \$25 million waiver in an enterprise zone, except that local additional conditions may not be imposed.

### **Designated Zones**

Clackamas County*	Effective May 3, 2011
Crook County	Effective July 1, 2018
Deschutes County*	Effective January 8, 2015
Jackson County*	Effective December 12, 2014
Jefferson County	Effective February 5, 2010
Klamath County	Effective August 25, 2009
Lake County	Effective December 8, 2008
Linn County*	Effective July 1, 2018
Malheur County	Effective January 1, 2015
Polk County*	Effective July 1, 2018

**For more info contact Business Oregon at 503-986-0123**

**Check website for other programs**

<https://www.oregon4biz.com/Oregon-Business/Tax-Incentives/Renewable-Energy/>

### **Alternative Fuel Loans**

This program is still in statute, however there is no authority to secure funding to make new loans possible.

### **Oregon Clean Vehicle Rebate Program**

The Oregon Clean Vehicle and Charge Ahead Rebate Program offers a cash rebate for Oregon drivers who purchase or lease electric vehicles. It is not a tax credit. The program is designed to reduce vehicle emissions by encouraging more Oregonians to purchase or lease electric vehicles rather than gas vehicles. The program contains two rebate options (which may be combined for those that qualify for both):

**The Standard Rebate** for the purchase or lease of a new battery electric vehicle or a plug-in hybrid electric vehicle.

- **Charge Ahead Rebate** for the purchase or lease of a new or used battery electric vehicle. To qualify for the Charge Ahead Rebate, the purchaser or lessee must be from a low- or moderate-income household. To see if you meet the income requirements for your area, please use the

### [Income Eligibility Calculator.](#)

For the **Standard Rebate**:

- \$2,500 towards the purchase or lease of a new plug-in hybrid electric vehicle or battery electric vehicle with a battery capacity of 10 kWh or more.
- \$1,500 towards the purchase or lease of a new plug-in hybrid electric vehicle or battery electric vehicle with a battery capacity of less than 10 kWh.
- \$750 towards the purchase or lease of a zero-emission electric motorcycle.

For the **Charge Ahead Rebate**:

- \$2,500 for vehicles purchased or leased prior to Jan. 1, 2022. If purchased or leased on, or after, Jan. 1, 2022, the rebate amount is \$5,000.

More information can be found at: <https://www.oregon.gov/deq/aq/programs/pages/zev-rebate.aspx>

### **Diesel Emissions Mitigation Grants**

In 2019, the Oregon Legislature authorized the creation of a grant program supporting businesses, governments and equipment owners in replacing older and more polluting diesel engines with new, cleaner technologies and exhaust control retrofits. These grants will be disbursed to awardees as a reimbursement of eligible project costs incurred during the project period.

In order to reduce diesel emissions, older, more polluting vehicles, equipment and engines must be permanently and verifiably removed from service or fitted with exhaust control technology. The grant program can fund: vehicle replacement, repower projects, or retrofits with new emissions-reducing equipment.

More information can be found at: <https://www.oregon.gov/deq/aq/programs/Pages/Diesel-Grants.aspx>

### **DEQ's diesel school bus replacement program**

In January 2018, the Oregon Department of Environmental Quality (DEQ) selected school districts to receive grant funding to support the replacement or retrofit of specific buses within their district's fleet

Under the diesel grant program, school districts have the option to install diesel particulate filters or to scrap and replace buses in their fleet. Buses selected for replacement must have at least three years of remaining useful life, have operated in Oregon in the past year and will continue to operate in Oregon for at least the three years following. The assistance amount offered is up to 100 percent of costs to purchase and install exhaust controls, or up to \$50,000 or 30 percent of replacement costs, whichever is less, to purchase an Oregon minimum standard bus to replace the bus that is scrapped.

More information can be found at: <https://www.oregon.gov/deq/aq/programs/Pages/VW-Diesel-Settlement.aspx>

## **Oregon Zero Emission Fueling Grants**

This pilot grant program for supporting medium and heavy-duty zero-emission vehicle charging and fueling infrastructure projects is established by the Oregon State Legislature in HB 5202 and HB 4139 (2022).

This one-time funding of approximately \$15 million is intended to support grants to public or private entities for capital improvements and technical assistance to support the installation of charging infrastructure for zero-emission medium and heavy-duty vehicles. Oregon DEQ will fund projects that meet criteria as established by the Oregon legislature and DEQ through a competitive process where applications will be evaluated on a rolling basis. The goal of this request for proposals is to identify projects that require technical assistance in planning fueling transitions from older, more polluting vehicles and equipment to new zero emission trucks, buses, and equipment.

More information can be found at: <https://www.oregon.gov/deq/air/Documents/OZEF-TAGRFP.pdf>

## **ODOT's Community Charging Rebates Program**

The Community Charging Rebates program is part of ODOT's commitment to accelerate the deployment of EV charging along major roads and within Oregon communities over the next five years. It will Target EV charging in communities throughout Oregon reimbursing public and private investments through rebates (\$4,250 - \$5,500 per Level 2 charging port, up to 75% of eligible costs). Funding will be released in rounds over multiple years beginning in June of 2023 and focus on projects in disadvantaged and rural communities.

More information can be found at:  
<https://www.oregon.gov/odot/climate/pages/communitychargingrebates.aspx>

## **National EV Incentive (NEVI) Program**

ODOT will administer \$52 million from the [2021 federal infrastructure bill](#) plus a required 20% match — must be spent on EV charging infrastructure along Alternative Fuel Corridors, as per guidance from the Federal Highway Administration. The funding is distributed under the [federal National Electric Vehicle Infrastructure \(NEVI\) Formula Program](#).

Alternative Fuel Corridors are roads approved by the FHWA on which states may use federal funding to build EV charging and other alternative fuel infrastructure. Oregon has 11 roads designated as electric corridors under the program: Interstates 5, 82, 84, 205 and 405; US Highways 20, 26, 95, 97 and 101; and OR Highway 42. ODOT may propose additional roads for designation over the next five years.

More information can be found at: <https://www.oregon.gov/odot/climate/pages/nevi.aspx>

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.40/gallon	B100 is taxable as a use fuel tax when fuel is placed into a motor vehicle	Subject to the Load Fee	\$0.40/gallon	Not taxable for grades higher than E85. E85 and E10 are taxable as motor vehicle fuel. The tax rate is \$0.40/gallon.	None

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated as a use fuel. The tax rate is \$0.40/gallon.	Not taxable for grades higher than E85. E85 and E10 are taxable as motor vehicle fuel. The tax rate is \$0.40/gallon.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion</b>
<b>CNG (Compressed Natural Gas)</b>	120 cubic feet of compressed natural gas used or sold in a gaseous state, measured at 14.73 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel	<b>1.2</b>
<b>E85</b>	\$0.40/gallon	<b>Not</b>
<b>Electric Vehicles/Electricity</b>	Subject to taxation under the Road Usage Charge program	
<b>Gasoline Hybrid Vehicles</b>	\$0.40/gallon	<b>Not Applicable</b>

<b>Hydrogen</b>	100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.40/gallon – 1.71 gallons or 6.059 pounds of LNG is taxable at the same rate as one diesel gallon.	<b>1.7</b>
<b>LPG (Liquefied Petroleum Gas)</b>	\$0.40/gallon – 1.353 gallons, or 5.75 pounds of LPG is taxable at the same rate as one gasoline gallon.	<b>1.3</b>
<b>Methanol or “M85”</b>	\$0.40/gallon	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable Ethanol</b>

**Section 16-How does your state handle contaminated fuel?**

If licensee is unable to clean it up for resale, proof of proper disposal is required to avoid taxation.

**Section 17-Does your state allow bad debt credits?**

Yes, for Motor Vehicle Fuel. Dealer may only claim bad debt for a specific customer once and must provide proof that the debt meets all applicable standards for deductibility for federal income tax purposes pursuant to IRS code. Reference Oregon Revised Statute 319.192

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Motor Vehicle Dealer	25 <sup>th</sup> of following month	25 <sup>th</sup> of following month
Use Fuel Seller	20 <sup>th</sup> of following month	20 <sup>th</sup> of following month
Use Fuel User	20 <sup>th</sup> of following month	20 <sup>th</sup> of following month

**Section 19-Does your state consider postmarked or received by due date as**

**timely filed?**

Tax reports that are not electronically filed must be received by 5:00pm Pacific Time, on the due date.

**Section 20-When filing a return electronically, what time is considered timely?  
(Example: 11.59 pm on due date)**

Must be received by 11:59 p.m. on due date, Pacific Time.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Motor Vehicle Dealer	\$25 penalty for not timely filing a zero tax due report	1% if filed by last day of month due. Additional 10% if file after that
Use Fuel Seller		10%
Use Fuel User		10%

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated like standard gasoline, as are all blend percentages. We would not consider denatured ethanol to be gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

No

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?  
Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Oregon does not impose a sales tax.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Bond is equal to 2x the monthly tax liability. Minimum bond is \$1,000, maximum is \$250,000 which may be raised to \$1,000,000 in certain situations.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Motor Vehicle Fuel Dealer	X	1,2,3,4,8,9
Use Fuel Seller	X	1,2,4



Use Fuel User	X	
Terminal Operator		7

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

**Section 34-Does your state allow credit and rebills on the current month report?**

N/A

**Section 35-How many days are allowed to report late loads?**

Late loads may be included on the next month's tax report. Anything over that time requires and amended report for the appropriate period.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

**Oregon Revised Statute 319.230**

Every person operating any conveyance for the purpose of hauling, transporting or delivering motor vehicle fuel in bulk shall, before entering upon the public highways of this state with such conveyance, have and possess during the entire time of hauling or transporting such motor vehicle fuel an invoice, bill of sale or other written statement showing the number of gallons, the true name and address of the seller or consignor, and the true name and address of the buyer or consignee, if any, of the same. The person hauling such motor vehicle fuel shall at the request of any sheriff, deputy sheriff, constable, state police or other officer authorized by law to inquire into or investigate such matters, produce and offer for inspection the invoice, bill of sale or other statement. [Amended by 1957 c.209 §6]

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Oregon Revised Statutes 319.250 exempts the Armed Forces of the United States for fuel sold for use in ships, aircraft, or export from the state.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

None

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Three years from the filing due date for refunds by amended tax reports. 15 months from purchase for refund claims by end users.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both.

**Section 41- Does your state accept electronic BOLs?**

Yes.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Delivery Date

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Tax templates and instructions are available on our website at

[Oregon Department of Transportation : Fuels Tax Forms : Fuels Tax : State of Oregon](#)

# COMMONWEALTH OF PENNSYLVANIA

## **Section 1-Contact Information**

**Agency:** Pennsylvania Department of Revenue

**Name:** -Stephen E. Wisyanski, Bureau of Business Taxpayer Accounting (Primary Administrator)  
Matthew R. Andrechik, Bureau of Taxation Support (Secondary Administrator)  
Christopher J. Dare, Bureau of Enforcement and Taxpayer Assistance (Enforcement Contact)

**Street Address:** 4<sup>th</sup> and Walnuts Streets, Strawberry Square

**City, State Zip Code:** Harrisburg, PA 17128-1200

**Phone Number:** (717) 783-9191

**Fax Number:** (717) 787-7174

**E-mail Addresses:** [swisyanski@pa.gov](mailto:swisyanski@pa.gov)  
[maandrechi@pa.gov](mailto:maandrechi@pa.gov) [cdare@pa.gov](mailto:cdare@pa.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Pennsylvania Consolidated Statute Title 75 (Vehicle)  
Chapter 90 – Liquid Fuels and Fuels Tax  
Chapter 94 – Liquid Fuels and Fuels Tax Enforcement  
Chapter 95 – Taxes for Highway Maintenance and Construction

Pennsylvania Consolidated Statute Title 74 (Transportation) Chapter  
61 – Aviation Development

### **Liquid Fuels and Fuels Tax**

As a result of Act 89 of 2013, the Liquid Fuels and Fuels Tax permanently eliminated the 12 cent per gallon tax beginning on January 1, 2014.

### **Oil Company Franchise Tax**

The oil company franchise tax is imposed on all taxable liquid fuels and fuels on a cents-per-gallon equivalent basis, and it is remitted by distributors of liquid fuels and fuels. Entities exempt from the liquid fuels and fuels tax are also exempt from the oil company franchise tax. The 2024 tax rates are based on 192.5 mills for liquid fuels and 247.5 mills for fuels, with a statutory Average Wholesale Price floor of \$2.99. Payments and reports are due from distributors on or before the 20th day of the month for liquid fuels and fuels sales in the preceding month.

## **Section 3-State Point of Taxation**

<b>Gasoline:</b>	Distributor level
<b>Diesel:</b>	Distributor level
<b>Aviation Fuel:</b>	Distributor level
<b>Jet Fuel:</b>	Distributor level
<b>Alternative Fuels:</b>	Dealer-User (retail or user) level

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: This term is not used in Pennsylvania

Point of Taxation: Sale from a registered distributor to a non-registered distributor.  
Chapter 90 – Subsection 9004(b) – Imposition of tax, exemptions and deductions; Oil company franchise tax for highway maintenance and construction.

**Section 5-State Tax Rates**

<b>Gasoline/Gasohol:</b>	\$0.576 / gallon*
<b>Diesel/Kerosene :</b>	\$0.741 / gallon*
<b>Aviation Gasoline :</b>	\$0.060 / gallon
<b>Jet Fuel:</b>	\$0.020 / gallon

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Any of these formats are acceptable, as long as the reporting and billing are consistent; from our Motor Fuels (Bureau of Audits - Liquid Fuels Division) Audit Manual:

“It is important to remember that the taxpayer is required to file returns on a consistent basis. All Receipts and Disbursements must be entirely on Gross or entirely on Net basis. The auditor should start with the present and work back to the beginning of the audit period. It must be determined if any changes were made in the accounting and reporting methods. If there were changes, these changes should be noted and documented for the audit period.”

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding**

### **the fees on reportable products?**

There is an Underground Storage Indemnification Fee (USTIF) that was established by PA Act 32 of 1989. Within that Act, the activities of the USTIF were assigned oversight by the PA Insurance Department and a dedicated Board whose role it is to establish program fees and set them on an annual basis. The collection of program area fees and claim eligibility requirements are set forth in the Chapter 977 PA Regulations.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

Please see changes noted above.\*

<b>Gasoline/Gasohol:</b>	\$0.576 / gallon (down from \$0.611 in 2023)
<b>Diesel/Kerosene :</b>	\$0.741 / gallon (down from \$0.785 in 2023)
<b>Aviation Gasoline :</b>	\$0.060 / gallon (same rate as 2023)
<b>Jet Fuel:</b>	\$0.020 / gallon (same rate as 2023)
<b>Ethanol:</b>	\$0.384 / gallon (down from \$0.408 in 2023)
<b>Methanol”</b>	\$0.289 / gallon (down from \$0.306 in 2023)
<b>Propane/LPG:</b>	\$0.425 / gallon (down from \$0.451 in 2023)
<b>E-85:</b>	\$0.413 / gallon (down from \$0.438 in 2023)
<b>M-85:</b>	\$0.332 / gallon (down from \$0.352 in 2023)
<b>Liquefied Nat. Gas/LNG:</b>	\$0.648 / DGE (down from \$0.688 in 2023)
<b>Compressed Nat. Gas/CNG:</b>	\$0.576 / GGE (down from \$0.611 in 2023)
<b>Electricity:</b>	\$0.0172 / kWh (down from \$0.0183 in 2023)

### **Section 8-State Collection Allowance (Discount)**

Chapter 90 – Subsection 9006 – Distributor’s report and payment of tax:

(1) The distributor, at the time of making the report under subsection (a), shall compute and pay to the Department the tax due to the Commonwealth on liquid fuels and fuels used or sold and delivered by that distributor during the preceding month, *less a discount*, if the report is filed and the tax paid on time, computed as follows:

- (i) 2%, if the tax amounts to \$50,000 or less;
- (ii) 1.5%, on tax in excess of \$50,000 and not exceeding \$75,000;
- (iii) 1%, on tax in excess \$75,000 and not exceeding \$100,000; and
- (iv) .5%, on tax in excess of \$100,000.

(2) The discount under paragraph (1) shall not be computed on any tax imposed and remitted with respect to the Oil Company Franchise Tax imposed under sections 9004(b) (relating to imposition of tax, exemptions, and deductions) and 9502 (relating to the imposition of tax).

**Section 9-State Diversion Requirements**

**Diversion Required:** No.

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number:** N/A.

**What diversion registry program do you use?** N/A.

**What products are subject to the diversion requirement?** N/A.

**Diversion Requirements:** N/A.

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**  
N/A.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**  
N/A.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

File an amended return.

**Section 10-Alternative Fuels Incentives and Laws**

Pennsylvania is the proud home of the Pittsburgh Region ([www.pgh-cleancities.org](http://www.pgh-cleancities.org)) and the Greater Philadelphia, Inc. ([www.phillycleancities.org](http://www.phillycleancities.org)) Clean Cities Coalitions.

**Renewable Energy Grants:** Pennsylvania Energy Development Authority (PEDA) provides grants and loan guarantees for alternative energy projects and related research referring to deployment projects, manufacturing or research. PEDA funding is available for projects involving clean, alternative fuels for transportation, biomass, and fuel cells. PEDA is now offering approximately \$12.5 million in funding for advanced energy projects and for businesses interested

in locating or expanding their alternative energy manufacturing or production operations in Pennsylvania. PEDAs will consider projects such as the manufacturing of alternative energy or energy efficiency equipment of materials; the development and deployment of innovative, clean advanced and efficient technologies; the generation of alternative energy or the production of alternative fuels; or the implementation of energy efficiency/demand side projects. Of the \$12.5 million, \$10 million is specifically for renewable energy projects, such as solar, wind, hydropower, and biomass. If PEDAs do not receive \$10 million in suitable Advanced Energy Projects, other eligible project types may receive this funding. Eligible applicants include corporations, partnerships, limited liability companies, associations and other legal business entities; Non-profit corporations; Pennsylvania schools, colleges and universities; and any Pennsylvania municipality and any public corporation, authority or body.

Eligible Project Categories include the following: *Advanced Energy Projects:* Projects which deploy: solar energy, wind, low-impact hydropower, geothermal, biomass, biologically derived methane gas including landfill gas, fuel cells, coal-mine methane, waste coal, coal liquification, coal polygeneration, integrated gasification combined cycle, and demand management measures including recycled energy and energy recovery, energy efficiency and load management.

- Clean Alternative Fuels, Alternative Energy Manufacturing and Alternative Energy Research
- Construction of new facilities to produce alternative fuels for transportation
- Construction of new facilities to provide alternative fuels recycling infrastructure
- Projects which support manufacture of component parts of the alternative energy sector
- Projects which support research to advance or commercialize alternative energy projects

For more information, see the Department of Environmental Protection Grant and Loan Programs Web site.

**Alternative Fuels Incentive Grant Program:** The Alternative Fuels Incentive Grant (AFIG) Program, which is administered by the PA Department of Environmental Protection, provides grant funding for clean, alternative fuel projects in Pennsylvania. Roughly, \$6 million in funding is available each year through collection of the utilities gross receipts tax. The program aims to support innovative energy ideas that will not only benefit the environment, but also create jobs and produce economic development within the state. Eligible applicants include school districts, municipal authorities, political subdivisions, incorporated nonprofit entities, corporations and LLC or partnerships registered to do business in the Commonwealth. The four eligible project categories are: Vehicle Retrofit and Purchase, Alternative Fuel Refueling Infrastructure, and Innovative Technology. All applications must be submitted online through the DEP's eGrants system at [www.ahs.dep.pa.gov/eGrants/index.aspx](http://www.ahs.dep.pa.gov/eGrants/index.aspx) and will be accepted through December 2017.

**Alternative Fuel Vehicle (AFV) Rebates:** The AFIG Program provides rebates for the purchase of new plug-in hybrid, plug-in electric, natural gas, propane and hydrogen fuel cell vehicles with an odometer reading of less than 500 miles at the time of purchase. The vehicle must be purchased to qualify; leased vehicles are not eligible. Purchasers have up to six months after purchase to submit the rebate application. Rebate amounts vary per vehicle. For more information, please visit the Pennsylvania Department of Environmental Protection website.

**Idle Reduction Loans:** The Small Business Pollution Prevention Assistance Account (PPAA) Loan Program provides low interest rate loans to small businesses undertaking projects in Pennsylvania that reduce waste, pollution, or energy use, including the purchase of truck auxiliary power units. Loans are available for 75% of the total eligible project costs. The maximum loan amount is \$100,000 within any 12-month period. The loan has a 2% fixed rate and a maximum term of 10 years. For more information, please visit [www.dep.pa.gov](http://www.dep.pa.gov), keyword: PPAA.

**Idle Reduction Weight Exemption:** A vehicle equipped with qualified idle reduction technology may exceed the state's gross weight and axle weight limits by up to 400 pounds to compensate for the additional weight of the idle reduction technology. (Reference Title 35 Pennsylvania Statutes, Chapter 23B, Section 4604)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.741/gallon	B100 is taxable	Rate includes the PA Oil Company Franchise Tax	\$0.384/gallon as an Alternative Fuel	Not taxable	Not taxable

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
Per oral guidance from the state, B100 is included in the definition of diesel and is taxed like diesel. The tax rate is \$0.741/gallon. PA includes anything that is suitable for running a diesel powered engine in the definition, including anything that can be blended with diesel. PA assumes that unless you have a history of entering B100 for sale to a plant to make salad dressing (for example) that the intent is to blend for fuel.  Imports are reportable but no tax is paid until the fuel is sold to an unlicensed person. As such, sales to licensed distributors are tax free.	There are no special licensing requirements for purchasing or selling 100% Ethanol. Ethanol, as an ingredient, is not required to be reported. Once ethanol is blended with gasoline/gasohol it becomes taxable under the PA liquid fuels tax rate of \$0.576/gallon. E-85 is taxable at the Alternative Fuel Tax rate of \$ 0.413 cents per gallon. Pure Ethanol is taxable the Alternative Fuels Tax rate of \$0.384 cents per gallon. E-85 and pure Ethanol become taxable when the fuel is placed into the fuel tank of a vehicle for use on the public highways.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**



Pennsylvania defines “alternative fuels” as including: natural gas, compressed natural gas (CNG), liquefied natural gas (LNG), liquid propane gas and liquefied petroleum gas (LPG), alcohols, gasoline alcohol mixtures containing at least 85% alcohol by volume, hydrogen, hythane, electricity, and any other fuel used to propel motor vehicles on the public highways which is not taxable as fuels or liquid fuels under Title 75. For taxation, each alternative fuel is converted to a gasoline gallon equivalent, and the tax rate applied to the gasoline gallon equivalent equals the current gas tax. Note that biodiesel is not an alternative fuel. Under Pennsylvania law, biodiesel is considered the same as petroleum-based diesel for purposes of taxation.

The point of taxation is at the retail or end-user level for alternative fuels. This is due to the fact that most alternative fuels have many uses other than as a fuel for propelling a vehicle on the public highways; therefore, until they are placed into a vehicle they do not qualify as an alternative fuel. The Pennsylvania Vehicle Code, Title 75, defines an alternative fuel “dealer-user” as “any person who delivers or places alternative fuels into the fuel supply tank or other device of a vehicle for use on the public highways.” Alternative fuels are taxed at the rate of the Commonwealth’s Liquid Fuels and Fuels Tax, plus the Oil Company Franchise Tax using a gasoline gallon equivalent calculation using a BTU conversion factor for each alternative fuel. The Department publishes revised tax rates each December for the following:

For 2024, the tax rates for alternative fuels are as follows:

<b>Alternative Fuel</b>	<b>Rate of Conversion (BTU/gal of alternative fuel)</b>	<b>Tax Rate per Gallon of Alternative Fuel</b>
Ethanol	76,330	\$0.384
Methanol	57,250	\$0.289
Propane/LPG	84,250	\$0.425
E-85	82,056	\$0.413
M-85	65,838	\$0.332
Liquefied Natural Gas (LNG)	128,714	\$0.648 per DGE
Electricity	3,414 BTU / kWh	0.0172 per kWh
Alternative Fuels under GGE Formula (Gaseous)	GGE Equivalent to One Gallon of Gasoline	Tax Rate per GGE
Compressed Natural Gas (CNG)	1	\$0.576
Hydrogen	1	\$0.576

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

"Alternative fuels." Natural gas, compressed natural gas (CNG), liquefied natural gas (LNG), liquid propane gas and liquefied petroleum gas (LPG), alcohols, gasoline-alcohol mixtures containing at least 85% alcohol by volume, hydrogen, hythane, electricity and any other fuel used to propel motor vehicles on the public highways which is not taxable as fuels or liquid fuels under this chapter.

"Fuels." Includes diesel fuel and all combustible gases and liquids used for the generation of power in aircraft or aircraft engines or used in an internal combustion engine for the generation of power to propel vehicles on the public highways. The term does not include liquid fuels or dyed diesel fuel. If the product is blended with clear diesel, it will assume the diesel tax rate.

"Liquid fuels." All products derived from petroleum, natural gas, coal, coal tar, vegetable ferments and other oils. The term includes gasoline, naphtha, benzol, benzine or alcohols, either alone or when blended or compounded, which are practically and commercially suitable for use in internal combustion engines for the generation of power or which are prepared, advertised, offered for sale or sold for use for that purpose. The term does not include kerosene, fuel oil, gas oil, diesel fuel, tractor fuel by whatever trade name or technical name known having an initial boiling point of not less than 200 degrees fahrenheit and of which not more than 95% has been recovered at 464 degrees fahrenheit (ASTM method D-86), liquefied gases which would not exist as liquids at a temperature of 60 degrees fahrenheit and pressure of 14.7 pounds per square inch absolute or naphthas and benzols and solvents sold for use for industrial purposes.

If the product is blended with gasoline it will assume the gasoline tax rate.

Blendstocks are not subject to the Pennsylvania Oil Company Franchise Tax unless they are blended with either Liquid Fuels or Fuels as defined above.—Suppliers/Distributors may report ethanol on their return for inventory purposes but it will not assume the tax rate of a Liquid Fuel (gasohol) or Alternative Fuel (E-85) until blended.

Blendstock	Tax Rate	Reportable

### **Section 16-How does your state handle contaminated fuel?**

Registered distributors most times would not have paid tax on fuel, so if the fuel is contaminated while they hold title to the product, they would place the information on a schedule 10 (no tax implications) to balance their inventory.

If it is a non-registered distributor who has paid the tax, then the fuel was contaminated they would have to petition the Pennsylvania Board of Appeals to request a refund.

### **Section 17-Does your state allow bad debt credits?**

No.

### **Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Motor Fuels Tax Report	20 <sup>th</sup> of the following month	20 <sup>th</sup> of the following month
Alternative Fuels Tax Report	20 <sup>th</sup> of the following month	20 <sup>th</sup> of the following month

### **Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmark date, however a hardship waiver must be granted to be exempted from the electronic filing requirement.

### **Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Return: 11:59 p of the due date.

Payment: 11:59 pm of the due date, this **only** applies to ACH debit payments filed through the Pennsylvania Department of Revenue's myPATH system.

### **Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next business day.

### **Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Motor Fuels	10% of the tax due	10% of the tax due
Alternative Fuels	10% of the tax due	10% of the tax due

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E-85

E-86 is taxed as an Alternative Fuel. Any blend from E-10 through E-84 is taxed at the liquid fuels rate and reported as gasoline/gasohol.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

PA requires a Monthly Carriers Report of Liquid Fuels and Fuels Delivered to be filed by the last date of each month for the preceding month of all deliveries within PA, imported out of PA, or exported out of PA. Registered Distributors do not have to report deliveries which they held title to, as these loads would appear on their Motor Fuels Tax Report. Registered Distributors do have to report loads which they moved for other parties which they did not hold title to the product.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

N/A.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

PA imposes sales tax on Dyed Off-Road Diesel, not used for heating purposes. The rate is 6% on the value of each gallon sold, with variances of state/local tax collection of 7% in Allegheny County and 8% in Philadelphia County.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

New Liquid Fuels and Fuels Permits are required to post a bond or other financial guarantee calculated to be 1.5 months of average tax due. Permits that have been in existence and in good standing with department for two full permit years may qualify for a reduced surety amount equal to one month of average tax due.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Class 1 - all products	x	1,2,3,4,5,7,8,9,10
Class 2a - gasoline/gasohol	x	1,2,3,4,5,7,8,9,10
Class 2b - aviation fuels	x	1,2,3,4,5,7,8,9,10
Class 3 - diesel fuels	x	1,2,3,4,5,7,8,9,10
Class 4 - import only	x	1,3,4,5,7,8,9,10
Class 5 - export only		2
Class 6 - kerosene labeled		4
Class 6a - kero blocked		4
Class 7 - alternative fuels	x	4
PA Fuel Transport Permit		6

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No. Destination, if Pennsylvania.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

N/A.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

The accounts can manually add/correct information and resubmit the same return or, if they upload a new file, they include the original transactions as well.

If the account is amending electronically and only have a few transactions to correct, they can manually add/correct the changes and resubmit; however, if there are many of transactions, they will have to make the corrections and upload their entire return again, as the amended overrides the original; if they just add the amended figures, that is all the system will take and override the original.

**Section 34-Does your state allow credit and rebills on current month report?**

Yes, but not necessary. Additionally, distributors that overpay or amend activity on a return which result in a credit have the option to use that credit as an authorized adjustment on a forthcoming return. Distributors that underpay or amend resulting in a balance are then assessed the difference.

**Section 35-How many days are allowed to report late loads?**

None. Any late loads constitute the amending of the applicable period's report.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Generally, the origin, date, gallons, BOL or invoice number, distributor, and carrier. The below is from the PA Vehicle Code, Chapter 90, to show what is required for our account base to report regarding resales between registered distributors and also what is required to report as taxable sales on their monthly report:

**§ 9005. Taxpayer.**

**(a) Duty of distributor.--**Every distributor using or delivering liquid fuels and fuels upon which a tax is imposed by this chapter shall pay the tax into the State Treasury through the department.

**(b) Delivery between distributors.--**

(1) Whenever liquid fuels and fuels are delivered within this Commonwealth by one distributor to another distributor holding a permit under this chapter, the distributor receiving the liquid fuels and fuels shall separately show, in that distributor's monthly reports to the department, all such deliveries from each distributor and shall pay the liquid fuels and fuels tax provided for by this chapter upon all such liquid fuels and fuels used or sold and delivered within this Commonwealth.

(2) The distributor making deliveries under paragraph (1) shall separately show those deliveries in that distributor's monthly reports to the department and shall then be exempt from the payment of the tax which would otherwise be imposed upon the liquid fuels and fuels so delivered.

(3) The distributor shall furnish to the department such information concerning such deliveries as the department may require.

(4) The department shall furnish to any distributor, upon request, a list of distributors holding permits under this chapter and their addresses.

**(c) Recovery of tax payment.**--Distributors may add the amount of the tax to the price of liquid fuels and fuels sold by them and shall state the rate of the tax separately from the price of the liquid fuels and fuels on all price display signs, sales or delivery slips, bills and statements which advertise or indicate the price of liquid fuels and fuels.

**(d) Penalty.**--A person who violates this section commits a summary offense.

#### **§ 9006. Distributor's report and payment of tax.**

**(a) Monthly report.**--For the purpose of ascertaining the amount of tax payable under this chapter, the distributor, on or before the 20th day of each month, shall transmit to the department on a form prescribed by the department a report, under oath or affirmation, of the liquid fuels and fuels used or delivered by that distributor within this Commonwealth during the preceding month. The report shall show the number of gallons of liquid fuels and fuels used or delivered within this Commonwealth during the period for which that report is made and any further information that the department prescribes. A distributor having more than one place of business within this Commonwealth shall combine in each report the use or delivery of liquid fuels and fuels at all such separate places of business.

**(b) Computation and payment of tax.**--

(1) The distributor, at the time of making the report under subsection (a), shall compute and pay to the department the tax due to the Commonwealth on liquid fuels and fuels used or sold and delivered by that distributor during the preceding month, less a discount, if the report is filed and the tax paid on time, computed as follows:

- (i) 2%, if the tax amounts to \$50,000 or less;
- (ii) 1.5%, on tax in excess of \$50,000 and not exceeding \$75,000;
- (iii) 1%, on tax in excess \$75,000 and not exceeding \$100,000; and
- (iv) .5%, on tax in excess of \$100,000.

(2) The discount under paragraph (1) shall not be computed on any tax imposed and remitted with respect to the oil company franchise tax imposed under sections 9004(b) (relating to imposition of tax, exemptions and deductions) and 9502 (relating to imposition of tax), except with respect to the oil company franchise tax imposed under section 9502(a)(5).

**(c) Due dates.**--The amount of all taxes imposed under the provisions of this chapter for each month shall be due and payable on the 20th day of the next succeeding month. Taxes due shall bear interest at the rate of 1% per month or fractional part of a month from the date they are due and payable until paid.

**(d) Additional penalty.**--If a distributor neglects or refuses to make any report and payment as required, an additional 10% of the amount of the tax due shall be added by the department and collected as provided. In addition to the added penalty, the permit of the distributor may be suspended or revoked by the department.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Federal government, commonwealth/state government, counties, cities, boroughs, townships, municipal authorities, public school districts, emergency services, the PA State System of Higher Education schools (state-owned universities), and the Commonwealth System of Higher Education (state-related universities).

**9004. Imposition of tax, exemptions and deductions.**

**(a) Exceptions.**--The tax imposed under subsections (b), (c) and (d) shall not apply to liquid fuels, fuels or alternative fuels:

(1) Delivered to the Federal Government on presentation of an authorized Federal Government exemption certificate or other evidence satisfactory to the department.

(2) Used or sold and delivered which are not within the taxing power of the Commonwealth under the Commerce Clause of the Constitution of the United States.

(3) Used as fuel in aircraft or aircraft engines, except for the tax imposed under subsection (c).

(4) Delivered to this Commonwealth, a political subdivision, a volunteer fire company, a volunteer ambulance service, a volunteer rescue squad, a second class county port authority or a nonpublic school not operated for profit on presentation of evidence satisfactory to the department.

The referenced universities are exempt per regulation, not statute.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Two years, plus the current year.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Three years.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both.

**Section 41- Does your state accept electronic BOLs?**

Yes.



### **Section 42- Rail Car**

#### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Per the provision below, the origin sale BOL date, as that is when the title of the product would change hands, and actually taking physical possession of the fuel is not a requirement to constitute a sale:

#### **9002. Definitions.**

"Sale" and "sale and delivery." Includes the invoicing or billing of liquid fuels or fuels free of tax as provided in section 9005 (relating to taxpayer) from one distributor to another regardless of whether the purchasing distributor is an accommodation party for purposes of taking title or takes actual physical possession of the liquid fuels or fuels.

#### **Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes:

[Motor and Alternative Fuel Tax Forms \(pa.gov\)](http://pa.gov)

# STATE OF RHODE ISLAND

## **Section 1-Contact Information**

**Agency:** Rhode Island Department of Revenue, Division of Taxation

**Name:** Lori Baccari

**Street Address:** Excise Tax Section - One Capitol Hill

**City, State Zip Code:** Providence, RI 02908

**Phone Number:** 401-574-8762

**Fax Number:** 401-574-8914

**E-mail Address:** Loriann.baccari@tax.ri.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

R.I. Gen. Laws § 31-36-1 *et seq.* and 280-RICR-20-50-1 and 280-RICR-20-50-2.

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Exempt

**Jet Fuel:** Exempt

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver: Not defined in Rhode Island General Laws.

Point of Taxation: Distributor; R.I. Gen. Laws §§ 31-36-7 and 31-36-13.

## **Section 5-State Tax Rates**

**Gasoline:** Effective July 1, 2023 \$0.37/gallon

**Diesel:** Effective July 1, 2023 \$0.37/gallon

**Aviation Fuel:** Exempt

**Jet Fuel:** Exempt

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Motor fuel tax is based on gallons billed, i.e. sold or used, in Rhode Island. R.I. Gen. Laws § 31-36-7

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

There are two fees associated on reportable products:

- Uniform Oil Response and Prevention fee: \$0.05 per barrel (\$0.01 per barrel for asphalt products and asphalt derivatives) per R.I. Gen. Laws § 46-12.7- 4.1.
- Environmental Protection Regulatory fee: \$0.01 per gallon per R.I. Gen. Laws § 46-12.9-11.

**Section 7-Rate Updates**

**Please list any rate updates for your state:**

Effective July 1, 2015 and every other year thereafter, the motor fuel tax will be indexed to inflation. Each adjustment will be rounded to the nearest one cent increment, provided that the total tax is not less than \$0.32 per gallon. Effective July 1, 2023, the rate of \$0.34 per gallon is increasing to \$0.37 per gallon for motor fuel.

**Section 8-State Collection Allowance**

None

**Section 9-State Diversion Requirements**

**Diversion Required:** No

**If Diversion is required, please state Statute and/or Rule required obtaining a Diversion Number.** N/A

**What diversion registry program do you use?** N/A

**What products are subject to the diversion requirement?** N/A

**Diversion Requirements.**

Distributor is responsible for the collection of motor fuel tax at the time of sale. If a distributor is aware of a diversion, the distributor is responsible for adjusting the bill to reflect the actual tax/credit due.

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

If the distributor refunded the motor fuel tax to its customers, the distributor would apply for the refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Yes.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? N/A.****Any Additional Comments?****Section 10-Alternative Fuels Incentives and Laws**

Rhode Island is a member along with twenty-three (23) other states in promoting alternative fuel, the project is done through the Ocean State Clean Cities Coalition. A major project involving charging stations is completed, with approximately three hundred (300) stations currently operating.

**Alternative Fuel Vehicle (AFV) Loan**

The Rhode Island Office of Energy Resources offers loans for up to five years, with low administrative fees, to state agencies and municipal governments to cover the incremental cost of purchasing original equipment.

**Alternative Fuel Vehicle (AFV) Tax Exemption - Warren**

The town of Warren, Rhode Island may allow excise tax exemptions of up to \$100 for qualified AFV registered in Warren. For the vehicles to qualify, they must be primarily fueled by one of the following: an electric motor drawing current from rechargeable batteries or fuel cells; gas produced from biomass, where biomass is defined as any organic material other than oil, natural gas, and coal; liquid, gaseous or solid synthetic fuels produced from coal; or coke or coke gas. (Reference; R.I. Gen. Laws § 44-34-14).

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
As of July 1, 2019, \$0.34/gallon	B100 is taxable if shipped into RI	B100 is exempt from MF Tax if manufactured in RI	As of July 1, 2019, \$0.34/gallon	Ethanol is taxable	
As of July 1, 2023, \$0.37/gallon			As of July 1, 2023, \$0.37/gallon		

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 imported into RI is subject to the MF Tax at the current tax rate	Ethanol is taxed like gasoline at the current tax rate.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>		<b>Not Applicable</b>
<b>E85</b>	<b>Taxable Currently \$0.37/gallon as of July 1, 2023</b>	
<b>Electric Vehicles/Electricity</b>		<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	<b>Taxable Currently \$0.37/gallon as of July 1, 2023</b>	
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	<b>Taxable Currently \$0.37/gallon as of July 1, 2023</b>	
<b>LPG (Liquefied Petroleum Gas)</b>	<b>Taxable Currently \$0.37/gallon as of July 1, 2023</b>	
<b>Methanol or “M85”</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

N/A.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Dyed Diesel off road	Taxable \$0.37/gallon as of July 1, 2023	Yes
Clear Diesel on road	Taxable \$0.37/gallon as of July 1, 2023	Yes
Gasoline	Taxable \$0.37/gallon as of July 1, 2023	Yes

**Section 16-How does your state handle contaminated fuel?**

N/A.

**Section 17-Does your state allow bad debt credits?**

A provision for bad debts is allowed.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
MFT-1 monthly return	20 <sup>th</sup> of the following month	20 <sup>th</sup> of the following month
EPRF-1 quarterly return	20 <sup>th</sup> of the following month	20 <sup>th</sup> of the following month
UORF-1 monthly return	Last day of the following month	Last day of the following month
T-12 monthly return	20 <sup>th</sup> of the following month	20 <sup>th</sup> of the following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked date.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Payment must be made on or before 4:30 PM Eastern on due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
MFT-1 & T-12	No Penalty	10% of the Tax due
EPRF-1	No Penalty	No Penalty
UORF-1	No Penalty	No Penalty

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 would be taxed at the current tax rate of \$0.37/gallon as of July 1, 2023.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Although a return is not required, R.I. Gen. Laws § 31-36-17 states “Every railroad, common carrier, or person delivering fuels into this state shall immediately report the delivery in writing to the state administrator, stating the names and addresses of the consignor and the consignee, the date and place of delivery, and the number of gallons delivered.”

**Section 25-(Tax as the rack states or first receiver states only) how does your state handle flash title transactions?**

N/A (Rhode Island is a distributor state).

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

N/A.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Fuels that are subject to motor fuel tax are not subject to sales tax.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

A bond is required for both distributors and exporters.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	X	1,2,3,5,7,8,9,10
Exporter		2,6
Filling Station		4



**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Adjustments are allowed on the MFT-1 return for the prior month.

**Section 34-Does your state allow credit and rebills on the current month report?**

Case-by-case basis.

**Section 35-How many days are allowed to report late loads?**

N/A.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Every distributor must keep records of the number of gallons of fuel sold by the distributor, the number of gallons of fuel used by the distributor, the date of the sales and of any use, and the name and addresses of purchasers along with, for each sale, the names and addresses of the distributor and the purchaser, the number of gallons sold and the dates of sale and delivery. (R.I. Gen. Laws § 31-36-6).

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

United States government direct purchases per R.I. Gen. Laws § 31-36-13.

Rhode Island Public Transit Authority per R.I. Gen. Laws § 39-18-12.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

There is no statute of limitations to file amendments to remit additional tax.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Two hundred forty (240) days per R.I. Gen. Laws § 31-36-13.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

The taxpayer must file a T-59 form to apply for a refund.

**Section 41- Does your state accept electronic BOLs?**

Not currently.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

N/A.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

[Motor Fuel Tax | RI Division of Taxation](#) (Frequently Asked Questions)

[Sales & Excise Forms | RI Division of Taxation](#) (returns under Motor Fuel Forms)

Contact: Excise Tax Section at 401-574-8955 or by email [tax.excise@tax.ri.gov](mailto:tax.excise@tax.ri.gov)

# STATE OF SOUTH CAROLINA

## **Section 1-Contact Information**

**Agency:** South Carolina Department of Revenue

**Name:** Gaby Smith

**Street Address:** 300-B Outlet Pointe Blvd

**City, State Zip Code:** Columbia, SC 29210

**Phone Number** Gaby: 803-898-4380

**Fax Number:** 803-896-0066

**E-mail Address:** [Gaby.Smith@dor.sc.gov](mailto:Gaby.Smith@dor.sc.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

SC Code of Laws

Title 12-Taxation, Chapter 28-Motor Fuels Subject to User Fees  
([www.scstatehouse.gov](http://www.scstatehouse.gov))

## **Section 3-State Point of Taxation**

**Gasoline:** Taxed upon removal across terminal rack or first import into state

**Diesel:** Taxed upon removal across terminal rack or first import into state

**Aviation Fuel:** not subject to motor fuel tax

**Jet Fuel:** not subject to motor fuel tax

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver-:** Not defined in SC Code of Law Title 12 Chapter 28

**Point of Taxation:** Per SC Code Section 12-28-915 (A), the motor fuel user fee must be remitted by the Supplier when motor fuel subject to the user fee is removed from a terminal. Per SC Code Section 12-28-905 (A), when motor fuel subject to the user fee is imported into the

state, the Occasional Importer must remit the user fees due within three days of the importation of the fuel.

Per SC Code Section 12-28-905 (B), when motor fuel subject to the user fee is imported into the state, the Bonded Importer must remit the user fees due on the twenty-second day of the month following the importation of the fuel.

### **Section 5-State Tax Rates**

**Gasoline:** \$. 28/ gallon motor fuel user fee (motor fuel tax) effective 7/1/2022; \$.005/gallon environmental impact fee; \$.0025/gallon inspection fee

**Diesel:** \$.28/gallon motor fuel user fee (motor fuel tax) effective 7/1/2022; \$.005/gallon environmental impact fee; \$.0025/gallon inspection fee

**Aviation Fuel:** \$.0025/gallon inspection fee; \$.005/gallon environmental impact fee

**Jet Fuel:** \$.0025/gallon inspection fee; \$.005/gallon environmental impact fee

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

SECTION 12-28-510. User fee on motor fuel measured by invoiced gallons.

The user fee imposed by this chapter on use of motor fuel subject to the user fee which was imported into this State by a licensed importer, other than by a bulk transfer, shall arise at the time the product is entered into the State and shall be measured by invoiced gallons received outside this State at a refinery, terminal, or at a bulk plant for delivery to a destination in this State.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Environmental Impact fee - \$.005 per gallon; Inspection fee - \$.0025 per gallon - per SC Code Section 12-28-2355

### **Section 7-Rate Updates**

The motor fuel user fee (motor fuel tax) has increased from \$0.26 per gallon to \$0.28 per gallon effective July 1, 2022, for all taxable motor fuels.

### **Section 8-State Collection Allowance**

Licensed Suppliers may retain one tenth of a percent of the motor fuel user fee collected and remitted by the Supplier each month per SC Code Section 12-28-955.

## **Section 9-State Diversion Requirements**

**Diversion Required: Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

SC Code Section 12-28-975; 12-28-1525

**What diversion registry program do you use? FuelTrac**

**What products are subject to the diversion requirement? All taxable products**

### **Diversion Requirements.**

Must provide notification of diversion to the department via a diversion number assigned by FuelTrac and added to the face of the shipping paper.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

The party responsible for the diversion should claim refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? No**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? No, Supplier is prohibited from re-billing on a diverted load by statute.**

## **Section 10-Alternative Fuels Incentives and Laws**

South Carolina is the home of the Palmetto State Clean Fuels Coalition ([www.energy.sc.gov/pscfc](http://www.energy.sc.gov/pscfc)). Contact Information is available in the “Contact Us” section of the South Carolina Energy Office’s Website.

### **State Incentives**

#### **Alternative Fuel Vehicle (AFV) Credit**

S.C. Code § [12-6-3377](#) provides a nonrefundable income tax credit to South Carolina residents who are eligible for and claim one of the federal credits allowed under IRC § 30B. The South Carolina credit is equal to 20% of the amount of the federal income tax credit. Any unused credit may be carried forward for 5 years. The state tax credit is calculated without regard to the phase out period limits of IRC § 30B(f) and the provisions of the federal law are deemed permanent for the purposes of the South Carolina credit. Credits can be claimed on **SC SCH.TC-35 Alternative Motor Vehicle Credit**.

#### **Solar, Small Hydropower, or Geothermal Energy System Credit –Not Motor Fuel Related**

S.C. Code § [12-6-3587](#) provides a nonrefundable income tax credit equal to 25% of the costs incurred by the taxpayer in the purchase and installation of a solar energy system, small hydropower system, or geothermal machinery and equipment for heating water, space heating, air

cooling, energy-efficient daylighting, heat reclamation, energy-efficient demand response, or the generation of electricity in or on a facility in South Carolina owned by the taxpayer. The amount of credit in any year may not exceed the lesser of \$3,500 per facility or 50% of the taxpayer's tax liability for the year. Any unused credit may be carried forward for 10 years. The statute includes definitions of "system," "small hydropower system," and "geothermal machinery and equipment." The geothermal machinery equipment provisions are repealed January 1, 2032. Credits can be claimed on **SC SCH. TC-38 Solar Energy, Small Hydropower System, or Geothermal Machinery and Equipment Credit**.

### **Biofuels Production Tax Credit – Ethanol and Biodiesel**

S.C. Code § [12-6-3600\(C\)](#) provides a nonrefundable income tax credit of 7.5¢ per gallon to taxpayers that engage in "new production" of ethanol or biodiesel at an ethanol or biodiesel facility in South Carolina. The credit is available for up to 36 months for all "new production."

"New production" means production at a new facility, a facility that had not received credits before 2017, or an existing facility with an expanded capacity of at least two million gallons first placed into service after 2016, as certified by the facility's design engineer to the State Energy Office. For expansion of the capacity of an existing facility, "new production" means annual production in excess of 12 times the monthly average of the highest three months of ethanol or biodiesel production at an ethanol or biodiesel facility during the 24-month period immediately preceding certification of the facility by the design engineer. Credits are not allowed for expansion of the capacity of an existing facility until production is in excess of 12 times the 3-month average amount during any 12-consecutive-month period beginning no sooner than January 1, 2017. Not more than 10 million gallons of ethanol or biodiesel produced during a 12-month period at a qualifying facility is eligible for the credit. The statute provides definitions of "ethanol facility" and "biodiesel facility." The credits must be approved by the South Carolina Energy Office and claimed on **SC SCH. TC-40 Ethanol or Biodiesel Production Credit**.

### **Biofuels Distribution and Dispensing Tax Credit – Ethanol and Biodiesel**

S.C. Code § [12-6-3610\(A\)](#) provides a nonrefundable income tax credit equal to 25% of the cost of "eligible property" used for the distribution or dispensing of renewable fuel at a new or existing commercial fuel distribution or dispensing facility. "Eligible property" includes pumps, storage, and related equipment that is directly and exclusively used for distribution, dispensing or storing "renewable fuel." The entire credit may not be taken when the property is placed in service but must be taken in 3 annual installments beginning in the year the property is placed in service. Any unused credit may be carried forward for 10 years.

For purposes of this credit, "renewable fuel" means E70 or greater ethanol fuel dispensed at the retail level for use in motor vehicles and pure ethanol or biodiesel fuel dispensed by a distributor or facility that blends these nonpetroleum liquids with gasoline fuel or diesel fuel for use in motor vehicles. Originally, to claim these credits, the taxpayer had to place the property in service prior to January 1, 2020, but the South Carolina General Assembly extended the placed in service date to January 1, 2023. However, this credit will be repealed for projects placed in service after January 1, 2023 unless extended by the South Carolina General Assembly. The credit must be approved by the South Carolina Energy Office and is claimed on **SC SCH. TC-41 Renewable Fuels Facility Credit**.

Note: S.C. Code § 12-6-3610(B) originally provided a credit for a taxpayer that constructed and placed in service a commercial facility for the production of renewable fuel equal to 25% of the cost of constructing or renovating a building and equipping a facility for the production of renewable fuel. For purposes of this credit, “renewable fuel” means liquid nonpetroleum based fuels that may be placed in motor vehicle fuel tanks and used as a fuel in a highway vehicle. It includes all forms of fuel commonly or commercially known or sold as biodiesel and ethanol. This credit is no longer available for any property or facility placed in service on or after January 1, 2020.

### **Credit for Purchasing or Constructing and Installing Alternative Fuel Property - Gas**

S.C. Code § [12-6-3695](#) provides a nonrefundable income tax credit equal to 25% of the cost “eligible property” used for distribution, dispensing, or storing alternative fuel at a new or existing fuel distribution or dispensing facility located in this State. “Eligible property” includes pumps, compressors, storage tanks, and related equipment that is directly and exclusively used for distribution, dispensing, or storing alternative fuel and is labeled and clearly identified as associated with alternative fuel. “Alternative fuel” means compressed natural gas, liquefied natural gas, or liquefied petroleum gas, dispensed for use in motor vehicles and compressed natural gas, liquefied natural gas, or liquefied petroleum gas, dispensed by a distributor or facility.

The credit is taken in 3 equal annual installments beginning with the tax year in which the property is placed in service. Any unused credit may be carried forward for 10 years. The taxpayer must place the property or facility in service before January 1, 2026 to qualify for the credit. The credit is claimed on **SC SCH. TC-59 Alternative Fuel Property Credit**.

### **Alternative Fuel Tax**

All motor fuels, including alternative fuels and alternative fuel blends, are subject to a state fuels tax when used or consumed in producing or generating power for propelling motor vehicles and are exempt from the state sales and use tax. Alternative fuels include liquefied petroleum gas, compressed natural gas, and liquefied natural gas. Blended fuels are defined as mixtures composed of gasoline or diesel fuel and another liquid, other than products such as carburetor detergent or oxidation inhibitor, which can be used as a fuel to operate a highway vehicle. (S.C. Code §§ [12-28-110](#) and [12-36-2120](#); [Act 160](#) (H. 4328) of 2016; [Act 269](#) (S. 1122) of 2016, §§ 1 and 2.)

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.28/gallon	B100 is taxable	Impact Fee and Inspection Fee	Fuel grade ethanol is not taxable until blended	Not taxable	None

**Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax is due at the terminal level or on the import. The tax rate is \$0.28/gallon for clear and Dyed B100 is exempt from tax.	Ethanol is not taxed until blended. The tax rate is \$0.28/gallon. Blender's license is required when blending.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or "M85", and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Yes	<b>GGE = 126.67 cubic ft or 5.66 lbs</b>
<b>E85</b>	Yes	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No	
<b>Gasoline Hybrid Vehicles</b>	Yes	<b>Not Applicable</b>
<b>Hydrogen</b>	Yes	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Yes	<b>DGE = 6.06 lbs</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Yes	<b>LPG gallons x .73</b>
<b>Methanol or "M85"</b>	Yes	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Not taxed in original state</b>		



**Section 16-How does your state handle contaminated fuel?**

Per SC Code Section 12-28-770, the motor fuel user fee must be refunded to the person responsible for the contamination upon application and presentation of proof acceptable to the department.

**Section 17-Does your state allow bad debt credits?**

No.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked date is given consideration as a timely filed return.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

An electronic return is considered to be filed timely if it is filed on or before the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The reports and payments would be due on the next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Penalties for late filing	5% per month penalty based on liability shown on return	
	Maximum of 25%	
Penalties for late payment	½ of 1% per month based on amount due Maximum of 25%	

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is gasohol and is subject to the motor fuel user fee, environmental impact fee and inspection fee.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Carriers engaged in interstate transport of motor fuel subject to the user fee must file a transporter return and report both interstate and intrastate activity.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

The Supplier of the fuel is responsible for charging the appropriate destination state tax on the removal of the fuel or should charge the South Carolina tax (user fee) if the Supplier has not filed a notice of election requiring that destination tax be charged.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Per Section 12-28-925 each supplier and bonded importer who sells motor fuel subject to the user fee shall collect from the purchaser the motor fuel user fee imposed under Section 12-28-310. At the election of an eligible purchaser evidenced by a written statement from the department as to the purchaser eligibility status as determined under Section 12-28-930, the seller may not require a payment of motor fuel user fees on transport truckloads from the purchaser sooner than one business day before the date on which the user fee is required to be remitted by the supplier or bonded importer under Section 12-28-915. This election is subject to a condition that the eligible purchaser's remittances of all amounts of user fees due the seller must be paid by electronic funds transfer. Failure of a supplier or bonded importer to comply with the requirements of this section may result in suspension or revocation of the license in accordance with Section 12-28-1180(B). The eligible purchaser's election under this subsection may be terminated by the seller if the eligible purchaser does not make timely payments to the seller as required by this section.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Per Section 12-28-2365 Environmental Fees and Inspections Fees are treated the same as Motor Fuel User Fees.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Clear diesel may be subject to sales tax if it is used for off-road purposes depending upon sales tax exemptions. Dyed diesel fuel may be subject to sales tax, depending upon sales tax exemptions. Sales tax is based on the purchase price of the fuel.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

The South Carolina Department of Revenue website details the bonding requirements for each motor fuel license type: <https://dor.sc.gov/tax/licenses>

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)
- 11. Produce Motor Fuel

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier	X	3,4,10
Bonded Importer	X	1
Occasional Importer	X	1
Tankwagon Importer	X	1
Blender	X	8
Miscellaneous	X	4
Terminal Operator		7
Transporter		6
Fuel Vendor		3,4
Exporter		2
Manufacturer	X	11

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No, pre-collection election is voluntary.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are filed electronically and include only the information that is changing.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes.

**Section 35-How many days are allowed to report late loads?**

A supplier may include late loads in the current month's return without interest or penalty being assessed provided the late load is the result of a transaction (removal of fuel from a terminal) that occurred in the month immediately prior to the current month and the current month's return, and the user fees due with that return are timely filed and paid.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

SECTION 12-28-1500. Automated machine-printed shipping documents; manually prepared documents in certain circumstances; exemptions.

(A) A person operating a refinery, terminal, or bulk plant in this State shall prepare and provide to the driver of every fuel transportation vehicle receiving motor fuel subject to the user fee into the vehicle storage tank at the facility an automated machine-printed shipping document setting out on its face:

- (1) identification by address of the terminal or bulk plant from which the motor fuel was removed;
- (2) date the motor fuel was removed;
- (3) amount of motor fuel removed, indicating actual gallons and net gallons;

- (4) state of destination as represented to the terminal operator by the transporter, the shipper or the shipper's agent;
- (5) other information reasonably required by the department for the enforcement of this chapter.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Sale of taxable motor fuel to US Government Agencies is exempt per SC Code Section 12-28-710 (6). SC taxable motor fuel sold for use in SC state owned school buses is exempt per SC Code Section 12-28-710 (12).

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Statute of limitations to file amendments to remit additional tax is thirty-six months from the due date of the original return.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

The statute of limitations to refund motor fuel tax is three years from the date the fuel was purchased.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

SC does not have an amended return refund claim form. Amended returns that result in an overpayment for the period will be considered for a refund.

**Section 41- Does your state accept electronic BOLs?**

Section 12-28-1500 requires automated machine-printed shipping documents and allows for manually prepared documents in certain circumstances.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

SECTION 12-28-1500. Automated machine-printed shipping documents; manually prepared documents in certain circumstances; exemptions.

(A) A person operating a refinery, terminal, or bulk plant in this State shall prepare and provide to the driver of every fuel transportation vehicle receiving motor fuel subject to the user fee into the vehicle storage tank at the facility an automated machine-printed shipping document setting out on its face:

- (1) identification by address of the terminal or bulk plant from which the motor

fuel was removed;

(2) date the motor fuel was removed;

(3) amount of motor fuel removed, indicating actual gallons and net gallons;

(4) state of destination as represented to the terminal operator by the transporter, the shipper or the shipper's agent;

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

(5) Templates or instructions are not posted on the website. Templates and instructions can be obtained from: [MotorFuelTax@dor.sc.gov](mailto:MotorFuelTax@dor.sc.gov)

# STATE OF SOUTH DAKOTA

## **Section 1-Contact Information**

**Agency:** Dept of Revenue

**Name:** Darrin Gerry, Revenue Supervisor

**Street Address:** 445 E Capitol Ave

**City, State Zip Code:** Pierre, SD 57501

**Phone Number:** 605.367.7942

**Fax Number:** 605.773.2550

**E-mail Address:** [sdmotorfuel@state.sd.us](mailto:sdmotorfuel@state.sd.us)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Fuel Taxation is regulated by South Dakota Codified Law (SDCL) 10-47B

## **Section 3-State Point of Taxation**

**Gasoline:** At the terminal rack and upon import into the state.

**Diesel:** At the terminal rack and upon import into the state.

**Aviation Fuel:** At the terminal rack and upon import into the state.

**Jet Fuel:** At the terminal rack and upon import into the state.

## **Section 4-State Tax Rates**

**Gasoline:** \$.28 per gallon

**Diesel:** \$.28 per gallon

**Aviation Fuel:** \$.06 per gallon

**Jet Fuel:** \$.04 per gallon

**Ethyl Alcohol:** \$.14 per gallon

**Methyl Alcohol:** \$.14 per gallon

**LNG:** \$.14 per gallon

**CNG:** \$.10 per gallon

**Section 5-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver:

Point of Taxation: At the terminal rack ([10-47B-5](#)) or upon import ([10-47B-6](#))

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

**Gross Gallons.**

10-47B-3 (15) “Gallon,” for purposes of fuel taxation, a United States gallon measured on a gross volume basis. Temperature adjusted or net gallons of measurement are not acceptable as units of measurement for taxation purposes unless used for the calculation of liquid petroleum gas, compressed natural gas, or liquid natural gas;

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Tank Inspection Fee- \$0.02 ([34A-13-20](#) & [74:32:02:01](#))

**Section 7-Rate Updates**

**Please list any rate updates for your state:** South Dakota has not had a rate change since 2015. South Dakota Legislature passed a motor fuel tax increase effective April 1, 2015 that increased motor fuel, special fuel, ethyl alcohol and methyl alcohol rates by \$.06 per gallon.

**Section 8-State Collection Allowance**

Any Supplier, Out-of-State Supplier, Ethanol Producer or Ethanol Broker, who properly remits tax, is allowed to retain an amount not to exceed 2.25% of the tax required to be paid on each gallon of fuel sold.

A licensed Importer may retain an amount equal to 2/3 of the allowance provided for above for the tax timely reported and remitted by them, to the state.

An LPG Vendor may retain 2% of the first 25,000 gallons taxed each month and 1% on the



gallons taxed in excess of 25,000 gallons each month. The maximum amount allowed to be retained each month is \$500.

No Allowance is permitted if the remittances of taxes due to the state are paid after the due date.

### **Section 9-State Diversion Requirements**

**Diversion Required** Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

SDCL 10-47B-44 to 49

**What diversion registry program do you use?**

None

**What products are subject to the diversion requirement?**

All motor and special fuel products

#### **Diversion Requirements.**

If a shipment or partial shipment of motor fuel or special fuel needs to be legitimately diverted from the represented destination state after the bill-of-lading has been issued by the terminal operator, bulk plant operator, or transporter, or where the issuer failed to cause proper information to be printed on the document, the transporter shall issue a diversion ticket for the shipment, or partial shipment. The diversion ticket shall accompany the bill-of-lading or copy thereof that is given to the bulk plant operator, wholesale distributor, retail dealer, or end consumer taking delivery of the fuel.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

The person that causes the product to be diverted.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

No, the person that causes the product to be diverted shall report it on their tax return and pay any additional taxes due or request a refund or credit of the taxes paid.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

As indicated above, the answer is no.

#### **Any Additional Comments?**

Suppliers are no longer required to report, rebill or give credits for diversions because we found that in doing so, it caused the Supplier to amend tax returns constantly, thus the person that causes the diversion is required to report it, and take care of any related changes associated with it.

## **Section 10-Alternative Fuels Incentives and Laws**

### State Incentives

#### **Biodiesel Production Facility Tax Refund**

A tax refund is available for contractors' excise taxes and sales or use taxes paid for the construction of a new agricultural processing facility, which includes an expansion to an existing soybean processing facility if the expansion will be used for the production of biodiesel. The project cost must exceed \$4.5 million in order to qualify for the refund. (Reference South Dakota Statutes 10-45B)

#### **Ethanol Production Incentive**

Ethanol Production Incentive program ends June 30, 2022.

#### **Biodiesel Production Tax Reduction**

Any producer of biodiesel shall maintain records of plant capacity and production and report to the Secretary of Revenue and Regulation at least quarterly. A \$.02 reduction on the tax rate of biodiesel will be implemented once a biodiesel plant reaches a name plate capacity of at least twenty million gallons per year and fully produces at least ten million gallons of biodiesel within one year. (Reference SDCL 10-47B-4 and 4.1)

## **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.28/gallon	B100 is taxable	Subject to the Inspection Fee	\$0.14/gallon	Ethanol is taxable	Subject to the Inspection Fee

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is included in the statutory definition of special fuel and is taxed like diesel. The rate is \$0.28/gallon. The tax is due on import unless the importer is a licensed blender. Sales to a licensed blender, supplier or exporter are tax exempt	100% Ethyl Alcohol is taxed at a rate of \$0.14 cents per gallons. If the Ethanol is included in a blend, the gasoline in the blend is taxed at a rate of \$0.28 cents per gallon, and the Alcohol at \$0.14 cents per gallon. The tax is due upon import of the product. Sales to a licensed exporter are tax exempt.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$.10 per gallon	The fuel excise tax is imposed at the equivalent rate of \$.28 per 116,090 BTU of energy of the fuel, which is the equivalent energy of a gallon of gasoline. The owner or operator of the motor vehicle shall remit the tax imposed by this section.
<b>E85</b>		Ethanol must be separated from gasoline when reporting. Ethanol is taxed at .14 per gallon and gasoline is taxed at .28 per gallon.
<b>Electric Vehicles/Electricity</b>		There is a registration fee of \$50 per calendar year.
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$.14 per gallon	The fuel excise tax is imposed at the equivalent rate of \$.28 per 116,090 BTU of energy of the fuel, which is the equivalent energy of a gallon of gasoline. The owner or operator of the motor vehicle shall remit the tax imposed by this section.
<b>LPG (Liquefied Petroleum Gas)</b>	\$.20 per gallon	
<b>Methanol or “M85”</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No, not at this time.

### **Section 15-Please list what blendstocks are taxable or reportable in your state.**

Most blends do not require a Blender's License because most fuel is blended have already had motor fuel tax added to them. If the blend includes an untaxed item included fuel additives pre-dispenser by the customer, this requires a Blender's License.

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Not Applicable</b>		
<b>Not Applicable</b>		
<b>Not Applicable</b>		
<b>Not Applicable</b>		

### **Section 16-How does your state handle contaminated fuel?**

Contaminated fuel must include at least 500 gallons and can be eligible for refund with claim form completed, supporting documentation, and proof of tax paid.

### **Section 17-Does your state allow bad debt credits?**

**10-47B-134. Refund for taxes paid on fuel sold to customer whose accounts are worthless-- Sufficient evidence and testimony.** Any wholesale distributor or retail dealer licensed as a marketer in this state may apply for and obtain a refund for taxes paid to this state on any gallons of motor fuel, undyed special fuel, or liquid petroleum gas sold to customers whose accounts are found to be worthless. Accounts may not be deemed to be worthless unless they have been claimed as uncollectible and deducted as an expense on the licensee's federal income tax return. Upon application of this refund, the department shall have cause and authority to make an assessment and take collection action against the purchaser of the fuel in accordance with the provisions of chapter 10-59. A refund claimant shall only be eligible for a refund for the taxes not paid by a customer once every three years. The department shall notify all licensed suppliers, out-of-state suppliers, and marketers that the party has been delinquent in the payment of tax and that no further refunds will be paid for sales made to the party during the next three-year period. To qualify for a refund a marketer shall supply the department sufficient evidence and testimony to enforce any tax collection action by the department.

### **Section 18-Please provide the following information:**

If the 20<sup>th</sup> or 25<sup>th</sup> falls on a weekend or holiday, the due date is the next business day.

<b>Report Type</b>	<b>Frequency</b>	<b>Return Due Date</b>	<b>Payment Due Date</b>
Supplier Tax Return	Monthly	20th	25th
Importer/Exporter Tax Return	Monthly	20th	25th

Ethanol Producer Tax Return	Monthly	20th	25th
Ethanol Broker Tax Return	Monthly	20th	25th
Biodiesel Producer Tax Return	Monthly	20th	25th
Blender Tax Return	Monthly	20th	25th
CNG Vendor Tax Return	Monthly	20th	25th
LNG Vendor Tax Return	Monthly	20th	25th
LPG Vendor Tax Return	Monthly	20th	25th
Terminal Operator Report	Monthly	20th	N/A
Tribal Marketer Report	Monthly	20th	N/A
Marketer Refund Claim	Custom	N/A	N/A
LPG User Tax Return	Semi-annual	20th	25th
Highway Contractor Tax Return	Quarterly	20th	25th

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmark date, if the licensee is authorized to file on paper. All tax returns should be filed electronically.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Returns are due by 11:59 pm on the 20<sup>th</sup> day of the month in which the return is due.  
Payment of tax is due on or before the 25<sup>th</sup> day of the month in which the return is due.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If a due date falls on a Saturday, Sunday, or Holiday returns and tax payments may be submitted on the following business day that is not a Saturday, Sunday, legal holiday, and days the Federal Reserve Bank is closed.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
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All Tax Returns	Lost Allowance if not filed on time Penalty-10 percent of the tax amount due or \$10, whichever is greater Interest- 1.00 percent of the tax amount due or \$5, whichever is greater for the first month and 1 percent thereafter	Lost Allowance, if not paid on time Penalty-10 percent of the tax amount due or \$10, whichever is greater Interest- 1.00 percent of the tax amount due or \$5, whichever is greater for the first month and 1 percent thereafter

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

South Dakota does not recognize E85 as a product. Gasoline and Ethyl Alcohol are required to be reported separately on all Ethanol Blends.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Individuals or businesses transporting loads over 4,200 gallons are required to be licensed with our office, however, South Dakota's Secretary of Revenue at this time has waived the filing requirement for Transporters to file with our office unless the records are requested.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

Whomever owns the fuel immediately prior to crossing over the rack is required to report transactions. Any transactions above the rack are not reported in South Dakota (flash title transactions typically occur above the rack). Taxes and tank inspection fees should be remitted to South Dakota by the Supplier that sold the fuel to the first purchaser. The purchaser will then pass the taxes and tank inspection fees down to the next party or end user. In the event the fuel is destined to be exported, the exporter will report the load as a tax paid export and receive a credit on the taxes and tank inspection fees initially paid when the fuel was purchased.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Yes, 10-47B-32.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

A wholesale distributor or retail dealer who purchases fuel from a licensed supplier or out-of-state supplier may request a delay of an amount equal to the taxes and tank inspection fee on fuel loads purchased during a reporting period.

If requested, the licensed supplier or out-of-state supplier cannot require payment of that amount until the 22nd day of the month in which the fuel tax is due.

**10-47B-32. Delayed payment of tax by wholesale distributor or retail dealer.**

A wholesale distributor or retail dealer who purchases fuel from a licensed supplier or out-of-state supplier may delay the payment of an amount equal to the tax and the tank inspection fee as defined in § 34A-13-22 required to be paid by the supplier or out-of-state supplier on the fuel removed from a terminal at the rack by the wholesale distributor or retail dealer or their shipper until the twenty-second day of the month in which the tax is due and payable by the supplier. The supplier or out-of-state supplier may not require payment prior to that date.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Sales tax is imposed on clear diesel when it is sold into a motor carrier refrigeration unit which is not attached to the engine supply fuel tank of the vehicle. In addition, sales tax is also imposed on dyed diesel. The sales tax rate is 4.5 percent plus applicable local taxes (i.e. city taxes) and is imposed on the value. Sales tax is never imposed on Gasoline.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

We do not currently require bonds unless a business has a poor filing history with our office.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal

- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)
- 11. Remits tax on the LPG used in their LPG powered Motor Vehicle(s)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Supplier	X	3,5,10
Terminal Operator		7
Importer/Exporter	X	1,2,3,4
Transporter		6
Bulk Plant Operator		3,4
Ethanol Producer	X	3,8
Ethanol Broker	X	3,8
LPG Vendor	X	4
Blender	X	8
Marketer		3,8
Tribal Marketer		3,8
CNG Vendor (None at this	X	4
LNG Vendor ( None at this	X	4
Biodiesel Producer (None		
Highway Contractor	X	1,2
LPG User	X	11

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, South Dakota requires licensed out-of-state suppliers to collect and remit SD taxes and tank inspection fees on fuel destined for South Dakota. If the supplier has “elected” to have the out-of-state Supplier License, they are required to collect South Dakota taxes before the fuel enters South Dakota based on the destination on the Bill of Lading.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No, but if the fuel enters the motor fuel pipeline terminal by means other than pipeline, it must be taxed prior to its entrance into the motor fuel pipeline terminal.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns are required to be filed electronically. The licensee will indicate if their amended



return is only changes or the entire return. Returns can be amended once online, then a paper amended return is required for any subsequent amendments. Amended returns must be made within 3 years of the return due date or when the return was filed/payment was made, whichever is earlier.

**Section 34-Does your state allow credit and rebills on the current month report?**

No.

**Section 35-How many days are allowed to report late loads?**

Licenses do not receive a grace period to report late loads. Tax returns must be amended to report loads that were not included on the original return.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

10-47

10-48B-53. Information required on bill-of-lading. The bill of lading issued by a terminal operator, bulk plant operator, transporter, or ethanol producer as dictated by this chapter shall contain the following information:

- (1) The terminal, bulk plant, or ethanol producer's plant name and address;
- (2) The date the fuel was withdrawn from the terminal or ethanol producer's plant;
- (3) The name and address of the supplier, shipper, or owner of fuel within a bulk plant if withdrawn from a bulk plant;
- (4) The name of the transporter or carrier;
- (5) The destination state. A petroex or similar number does not fulfill this requirement;
- (6) The bill-of-lading number;
- (7) The number of gross gallons of each type of fuel;
- (8) The type of fuel product transported;
- (9) If the fuel contains ethyl alcohol or methyl alcohol, the number of gallons of ethyl alcohol, the number of gallons of methyl alcohol, the number of gallons of gasoline, or the number of gallons of any other motor fuel that are contained therein;
- (10) The name and address of the consignee; and
- (11) Any other information which the secretary deems necessary for the administration and enforcement of this chapter.

**Source:** SL 1995, ch 71, § 53; SL 1996, ch 90, § 17; SL 1999, ch 58, § 18; SL 2009, ch 55, § 23; SL 2010, ch 66, § 13.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

**10-47B-19. Exemptions from fuel excise tax.**

The following are exempt from fuel excise tax imposed by this chapter:

- (1) Motor fuel or undyed special fuel removed from a terminal in this state at the rack by the

- federal government or defense fuel supply center for consumption in any federal government motor vehicle, machinery, equipment, or aircraft;
- (2) Motor fuel or undyed special fuel imported into this state by the federal government or defense fuel supply center for consumption in any federal government motor vehicle, machinery, equipment, or aircraft;
  - (3) Special fuel that has been dyed in accordance with this chapter. The tax liability is reestablished if the dyed special fuel is used in the engine fuel supply tank of self-propelled machinery and equipment for use in highway construction or repair work within the right-of-way within this state;
  - (4) Transmix removed from a terminal in this state at the rack by the terminal operator and transferred to another terminal, or to a licensed supplier for refinement and re-introduction into the pipeline system;
  - (5) Undyed special fuel removed from a terminal in this state at the rack and delivered directly into a railroad locomotive if the railroad company is also the supplier. Undyed special fuel transported from the terminal to the locomotive fueling site by truck or railcar is not exempt from the tax;
  - (6) Motor fuel or undyed special fuel removed from a terminal in this state by an electrical power company or cooperative and directly used for the generation of electricity. Motor fuel or undyed diesel fuel transported from the terminal to an electrical generation plant by truck or railcar is not exempt from the tax; or
  - (7) Motor fuel or special fuel transfers in bulk by pipeline into a terminal or in bulk by pipeline within a terminal. This subdivision does not apply to any transfers of ethyl alcohol or methyl alcohol into a terminal or within a terminal. The subsequent removal of the fuel from the terminal is not exempt from tax.

**Source:** SL 1995, ch 71, § 19; SL 1996, ch 90, § 7; SL 1999, ch 58, § 6; SL 2010, ch 66, § 6; SL 2011, ch 60, § 1.

#### **10-47B-167. Exemption from fuel tax for certain sales of liquefied petroleum gas-- Conditions.**

A licensed liquid petroleum gas vendor may sell liquefied petroleum gas exempt from the fuel tax imposed by this chapter, to a licensed liquid petroleum gas user or to a purchaser who owns a motor vehicle propelled by liquefied petroleum gas if the vendor delivers the gas into a bulk storage tank which has no liquid transfer line which could be used to deliver fuel into the fuel supply tank of a motor vehicle. The vendor shall certify that the vendor has inspected the bulk storage tank and that no liquid transfer line existed on the tank at the time of inspection. A purchaser shall obtain a propane user license before receiving liquefied petroleum gas into a bulk storage tank which has a liquid transfer line which could be used to deliver fuel into the fuel supply tank of a motor vehicle.

**Source:** SL 1995, ch 71, § 164; SL 1999, ch 58, § 45.

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

#### **10-59-16. Time limitation for collection--Exceptions.**

Unless a proceeding, audit, action, or jeopardy assessment is commenced to determine or collect the tax, the collection thereof is barred three years from the date the return reporting the tax is filed by or on behalf of the taxpayer. There is no bar to assessment or collection of taxes, penalty,

or interest in the following instances:

- (1) Any period for which a taxpayer fails to obtain or maintain a license or permit required to engage in the activity which results in the tax obligation;
- (2) Any period for which a taxpayer fails to file a required return or report or files a fraudulent return or report;
- (3) Any tax, penalty, or interest first legally due and payable within three years of the date of mailing of a notice of intent to audit; or
- (4) Any period for which a taxpayer files a return reporting tax due and fails to remit the tax reported on the return in full.

**Source:** SL 1986, ch 111, § 16; SL 1994, ch 104.

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

#### **10-59-19. Recovery of overpaid taxes--Time limitation.**

A taxpayer seeking recovery of an allegedly overpaid tax, penalty, or interest shall file a claim for recovery with the secretary, within three years from the date the tax, penalty, or interest was paid or within three years from the date the return was due, whichever date is earlier. A claim for recovery not filed within three years of the date the tax was paid or within three years of the date the return was due, whichever date is earlier, is barred.

**Source:** SL 1986, ch 111, § 19; SL 1989, ch 123.

### **Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both. The only requirement is the taxpayer contacts Department of Revenue within 3 years of the date it was filed or the date it was due, whichever is earlier.

#### **10-59-19. Recovery of overpaid taxes--Time limitation.**

A taxpayer seeking recovery of an allegedly overpaid tax, penalty, or interest shall file a claim for recovery with the secretary, within three years from the date the tax, penalty, or interest was paid or within three years from the date the return was due, whichever date is earlier. A claim for recovery not filed within three years of the date the tax was paid or within three years of the date the return was due, whichever date is earlier, is barred.

**Source:** SL 1986, ch 111, § 19; SL 1989, ch 123.

### **Section 41- Does your state accept electronic BOLs?**

Yes.

#### **Section 42- Rail Car**

### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

South Dakota relies on the information that is printed on the Bill of Lading because it determines the taxability of fuel products. South Dakota accepts only BOL date for all

products transported by all modes of transportation.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes. Templates and filing guides for all license types are located at <https://dor.sd.gov/businesses/taxes/motor-fuel/>.

# **STATE OF TENNESSEE**

## **Section 1-Contact Information**

**Agency:** Department of Revenue

**Name:** Rodney Pendley

**Street Address:** 500 Deaderick Street

**City, State Zip Code:** Nashville, TN 37242

**Phone Number:** (615) 532-6124

**Fax Number:** (615) 741-5319

**E-mail Address:** rodney.pendley@tn.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:** TCA Title 67, Chapter 3

## **Section 3-State Point of Taxation**

**Gasoline:** 1<sup>st</sup> import – TCA 67-3-301

**Diesel:** Across the terminal rack – TCA 67-3-302

**Aviation Fuel:** Aviation gas is taxable upon import TCA 67-3-303

**Jet Fuel:** TCA 67-3-303

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-:

Point of Taxation:

## **Section 5-State Tax Rates**

**Gasoline:** Gasoline Tax of 26 cents per gallon (as of July 1, 2019) – TCA 67-3-201; 1 cent special tax – TCA 67-3-203; .4 cent environmental assurance fee TCA 67-3-204

**Diesel:** Diesel Tax of 27 cents per gallon (as of July 1, 2019) – TCA 67-3-202; 1 cent special tax – TCA 67-3-203; .4 cent environmental assurance fee TCA 67-3-204

**Aviation Fuel:** 1 cent special tax – TCA 67-3-203; .4 cent environmental assurance fee TCA 67-3-204

**Jet Fuel:** 1 cent special tax – TCA 67-3-203; .4 cent environmental assurance fee TCA 67-3-204

**Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Net Gallons. TCA 67-3-103(31)

-

**Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

1 cent special tax – TCA 67-3-203; .4 cent environmental assurance fee TCA 67-3-204

**Section 7-Rate Updates**

**Please list any rate updates for your state:** Gasoline is increased four (4) cents on July 1, 2017, one (1) cent on July 1, 2018, and one (1) cent on July 1, 2019. Diesel is increased four (4) cents on July 1, 2017, three (3) cents on July 1, 2018, and three (3) cents on July 1, 2019.

**Section 8-State Collection Allowance**

Collection Administration Allowance - .1% of the taxes imposed by TCA 67-3-201 and 202 on timely payments made before or by the due date.

Tare Allowance – 1.5415% of the taxes imposed by TCA 67-3-201 and 202.

**Section 9-State Diversion Requirements**

**Diversion Required:** Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** TCA 67-3-804

**What diversion registry program do you use?**

FuelTrac

**What products are subject to the diversion requirement?**

-All taxable products

**Diversion Requirements.**

Must provide notification of diversion to the commissioner, then a verification number be assigned and manually added to the face of the shipping paper. The party diverting the shipment must pay their own taxes to the respective state if the bill of lading doesn't reflect the correct destination based upon T.C.A. 67-3-513.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Only the party diverting the shipment may claim the refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?** No.  
The Supplier/Distributor should bill the customer based on the destination shown on the original bill of lading.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** No

**Any Additional Comments?**

**Section 10-Alternative Fuels Incentives and Laws**

Tennessee is the proud home of the East Tennessee Clean Fuels Coalition ([www.etcleanfuels.org](http://www.etcleanfuels.org)) and Clean Cities of Middle Tennessee ([www.tennesseecleanfuels.org](http://www.tennesseecleanfuels.org)). Coordinator contact information is listed in the Points of Contact section.

**State Incentives**

**Provision for Establishing Alternative Fuel Refueling Infrastructure Grants**

The Tennessee Department of Transportation (TDOT) is authorized to undertake public-private partnerships with transportation fuel providers, including, but not limited to farmer cooperatives, to install refueling facilities. Refueling facilities include storage tanks and fuel pumps dedicated to dispensing biofuels, including but not limited to ethanol (E85) and biodiesel (B20). TDOT is also authorized to establish a grant program to provide financial assistance to help pay the capital costs of purchasing, preparing, and installing fuel storage tanks and fuel pumps for biofuels at private sector fuel stations. TDOT may also develop and implement a program to encourage all political subdivisions of the state and public colleges and universities to increase the number of vehicles that use alternative fuels. (Reference House Bill 2216, 2007, and Tennessee Code 54-1-136)

**Provision for Establishing an Alternative Fuel Research and Development Program**

The Department of Agriculture is authorized to develop and implement an alternative fuel research program to stimulate public and private research in conversion technology. This research should address converting Tennessee agricultural products, such as soybeans,

switchgrass, and other biomass, into alternative fuels, as well as the production capabilities needed to deliver such alternative fuels to Tennessee consumers. (Reference House Bill 2216, 2007, and Tennessee Code 54-1-136)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
Subject to the diesel tax if sold to a party that is not licensed.	B100 is taxable to unlicensed parties	Subject to the Special Tax and the Environmental Fee	Subject to the applicable Gasoline tax rate	Ethanol is taxable	Subject to the Special Tax and the Environmental Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
In state manufacturers do not pay the Diesel tax if sold to a TN Blender, Supplier, Bonded Importer, or Licensed Exporter.	Ethanol is treated like gasoline. It is taxed upon 1 <sup>st</sup> receipt at the Gasoline tax rate

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Subject to \$0.21/gallon	5.66 lbs. equals one gallon.
<b>E85</b>	Subject to the Gasoline tax	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>		
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Subject to \$0.21/gallon	5.66 lbs. equals one gallon
<b>LPG (Liquefied Petroleum Gas)</b>	Subject to \$0.22/gallon	6.06 lbs. equals one gallon
<b>Methanol or “M85”</b>	Methanol is only subject to the Special Tax and Environmental Assurance Fee. M85 is additionally subject to the Gasoline tax	<b>Not Applicable</b>
<b>Other</b>		



**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
Any petroleum product component of gasoline, such as naphtha, reformat, or toluene, that can be blended for use in a motor vehicle. However, “blend stock” does not include any substance that will be ultimately used for consumer non-motor fuel use and is sold or removed in drum quantities of not more than 55 gallons at the time of the removal or sale.	<b>Subject to the Gasoline tax</b>	<b>Yes</b>

**Section 16-How does your state handle contaminated fuel?**

Where taxable diesel fuel has been accidentally contaminated by dye, the owner of the product may file a claim for refund for the diesel tax paid on the undyed fuel.

**Section 17-Does your state allow bad debt credits?**

A licensed supplier or bonded importer is entitled to a credit against taxes payable under T.C.A. title 67 chapter 3, for any tax or fee not paid to the supplier or importer by a deferred wholesaler. The supplier or bonded importer shall notify the department in writing of the default no later than 15 days after the earliest date on which the deferred wholesaler was required to make the payment. The notice shall include the name of the defaulting wholesaler, the amount of the default, whether the supplier or importer has terminated the wholesaler’s election for deferral of taxes, and the date of any termination.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Distributor Tax Report	20 <sup>th</sup> day following the month of activity	Same as report

Exporter Tax Report	20 <sup>th</sup> day following the month of activity	Same as report
Blender's Report	20 <sup>th</sup> day following the month of activity	Same as report
Transporter's Report	25 <sup>th</sup> day following the month of activity	Same as report
Terminal Operator Report	Last day of the month following the month of activity	Same as report

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked if filed by paper. Received by the due date if filed electronically.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

It is considered timely if received by the due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The next working day following the weekend or holiday.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
	\$15.00 minimum penalty for late filing regardless of tax owed	5% of the tax due for each 1 to 30 day period, not to exceed 25 %

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

All ethanol and blends are reported as gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes. A person licensed as a transporter shall file monthly transporter reports.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

The supplier would charge its customer the applicable Tennessee taxes, even though the fuel is ultimately exported to another state. If the first customer charges its customer the destination state tax, then the first customer can take a tax paid credit on its tax return for the Tennessee taxes paid, provide certain criteria are met.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

A supplier that has made a sale to a customer licensed as a deferred wholesaler may not require payment of the taxes and fees earlier than the second proceeding day prior to the date on which the taxes and fees are due and payable to the state.

67-3-506. Supplier to collect tax-deferred payment.

- (a) Each licensed supplier and bonded importer who sells taxable petroleum products shall collect from the purchaser the taxes and fees imposed in part 2 of this chapter.
- (b) At the election of a licensed wholesaler, the licensed supplier or bonded importer may not require payment of taxes and fees imposed in part 2 of this chapter from such wholesaler earlier than the second preceding day prior to the date on which the taxes and fees become finally due and payable to the state. This election shall be further subject to a condition that the supplier or importer may require the wholesaler to make remittances of all amounts of taxes and fees due by electronic funds transfer. The wholesaler's election under this subsection (b) may be terminated by the supplier or importer, if the wholesaler does not make timely payments to the supplier or importer as required by this subsection (b).

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

All taxes and fees would be deferred.

67-3-506. Supplier to collect tax-deferred payment.

- (a) Each licensed supplier and bonded importer who sells taxable petroleum products shall collect from the purchaser the taxes and fees imposed in part 2 of this chapter.
- (b) At the election of a licensed wholesaler, the licensed supplier or bonded importer may not require payment of taxes and fees imposed in part 2 of this chapter from such wholesaler earlier than the second preceding day prior to the date on which the taxes and fees become finally due

and payable to the state. This election shall be further subject to a condition that the supplier or importer may require the wholesaler to make remittances of all amounts of taxes and fees due by electronic funds transfer. The wholesaler's election under this subsection (b) may be terminated by the supplier or importer, if the wholesaler does not make timely payments to the supplier or importer as required by this subsection (b).

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Sales tax applies to dyed diesel fuel base on a percentage of the sales price.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Most of our licensees are required to post a bond based upon tax liability. The minimum bond amount is \$1,000.00.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No. Just one or the other.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

TCA 67-3-504 For removals from in-state terminals, the supplier must collect the tax on removals. For removals at out of state terminals, the pre-collection elections agreements must be made.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended return must be filed electronically for any returns where the original return was required to be filed electronically. When filing an amended return, the taxpayer only needs to file the changes, such as transactions not previously reported and corrections. The taxpayer should not file a full replacement for an amended return filing.

**Section 34-Does your state allow credit and rebills for the current month report?**

No credit and rebills concerning diverted fuel.

**Section 35-How many days are allowed to report late loads?**

Late loads are not allowed.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

As detailed under:

TCA 67-3-801 – Destination shipping papers

TCA 67-3-817 – Invoices

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Governmental agencies. 67-3-401  
Consumer imports. 67-3-402  
Industrial chemicals and solvents. 67-3-403  
Agricultural Use – Gasoline. 67-3-111

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Back to January 1 three years prior to the current year.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Back to January 1 three years prior to the current year.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both.

**Section 41- Does your state accept electronic BOLs?**

Yes.

**Section 42- Rail Car**  
**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Delivery date.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Yes.

<https://www.tn.gov/revenue/taxes/motor-fuel-taxes.html>

# STATE OF TEXAS

## **Section 1-Contact Information**

**Agency:** Texas Comptroller of Public Accounts

**Name:** Julian Daniels

**Street Address:** 111 East 17<sup>th</sup> Street

**City, State Zip Code:** Austin, Texas 78711

**Phone Number:** (512) 475-0440

**Fax Number:** (512) 475-0900

**E-mail Address:** [julian.daniels@cpa.texas.gov](mailto:julian.daniels@cpa.texas.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Chapter 162, Texas Tax Code

**<http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>**

Texas Tax Code

**<http://www.statutes.legis.state.tx.us/>**

Motor Fuel Tax Rules, Texas Administrative Code

**[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=5&ti=34&pt=1&ch=3&sch=S&rl=Y](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=5&ti=34&pt=1&ch=3&sch=S&rl=Y)**

Texas Administrative Code

**[http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=34&pt=1&ch=3](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=34&pt=1&ch=3)**

## **Section 3-State Point of Taxation**

**Gasoline:** terminal rack

**Diesel:** terminal rack

**Aviation Fuel:** terminal rack

**Jet Fuel:** terminal rack

**Liquefied Gas:** Prior to September 1, 2015, a prepaid decal was required for Texas plated motor vehicles and \$0.15 per gallon was required to be paid by out-of-state plated vehicles, IFTA licensed vehicles, and motor vehicles operated under a Texas licensed Motor Vehicle Dealer's liquefied gas tax decal to a licensed liquefied gas dealer. Beginning September 1, 2015, no state motor fuels tax is assessed on liquefied gas (propane or butane).

**CNG:** At the pump where CNG is dispensed into a motor vehicle beginning 09/01/2013.

**LNG:** At the pump where LNG is dispensed into a motor vehicle beginning 09/01/2013.

**Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: not defined in statute.

Point of Taxation:

162.101/162.201(a) - A tax is imposed on the removal of gasoline or diesel fuel from the terminal using the terminal rack, other than by bulk transfer. The supplier or permissive supplier is liable for and shall collect the tax from the person who orders the withdrawal at the terminal rack.

162.101/162.201(a) - A tax is imposed at the time gasoline or diesel fuel is imported into this state, other than by a bulk transfer, for delivery to a destination in this state. The supplier or permissive supplier is liable for and shall collect the tax from the person who imports the gasoline into this state. If the seller is not a supplier or permissive supplier, then the person who imports the gasoline or diesel fuel into this state is liable for and shall pay the tax.

162.101/162.201

(e-1) A tax is imposed on gasoline or diesel fuel that is otherwise exempt from taxation under Section 162.104(a)(4) or (7) if the gasoline or diesel fuel is sold into a truck or railcar in this state to a person who does not hold a license under Section 162.105(1), (2), (3), (4), or (6). The person who sold the gasoline or diesel fuel is liable for and shall collect and remit the tax.

(e-2) A tax is imposed on gasoline or diesel fuel that is otherwise exempt from taxation under Section 162.104(a)(4) or (7) if before export the gasoline or diesel fuel is sold in this state to a person who holds a license under Section 162.105(1), (2), (3), (4), or (6) and the gasoline or diesel fuel is delivered to a destination in this state. The person that redirected the delivery of the gasoline or diesel fuel to a destination in this state is liable for and shall pay the tax.

(e-3) A tax is imposed on gasoline or diesel fuel that is otherwise exempt from taxation under Section 162.104(a)(7) if the gasoline is sold into a marine vessel in this state to a person who does not hold a license under Section 162.105(1), (2), (3), (4), or (6) unless the exporter of record is licensed under Section 162.105(1), (2), (3), (4), or (6). The person who sold the gasoline or diesel fuel is liable for and shall collect and remit the tax.



162.351 - A tax is imposed on the sale of compressed natural gas or liquefied natural gas that is delivered into the fuel supply tank of a motor vehicle in connection with a sale of the compressed natural gas or liquefied natural gas.

162.352 - A tax is imposed on the delivery of compressed natural gas or liquefied natural gas into the fuel supply tank of a motor vehicle by a fleet user or other dealer not in connection with a sale of the compressed natural gas or liquefied natural gas.

### **Section 5-State Tax Rates**

**Gasoline:** \$0.20 per gallon

**Diesel:** \$0.20 per gallon

**Aviation Fuel:** \$0.20 per gallon

**Jet Fuel:** \$0.20 per gallon

**Liquefied Gas:** \$0.15 per gallon paid by out-of-state plated vehicles, IFTA licensed vehicles, and motor vehicles operated under a Texas licensed Motor Vehicle Dealer's liquefied gas tax decal to a licensed liquefied gas dealer. Beginning September 1, 2015, no state motor fuels tax assessed on liquefied gas (propane or butane).

**CNG:** \$0.15 per gasoline gallon equivalent or diesel gallon equivalent

**LNG:** \$0.15 per gasoline gallon equivalent or diesel gallon equivalent

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Texas calculates gasoline and diesel fuel tax based on net gallons.

Texas Tax Code [Sections 162.102 and 162.202](#).

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

26.3574

Petroleum Product Delivery Fee - The Texas Petroleum Products Delivery Fee is imposed, collected, and paid to the state by licensed suppliers. The fee is assessed when petroleum products are withdrawn from the bulk facility and delivered into a cargo tank or barge or imported into this state in a cargo tank or barge for delivery to another location for distribution or sale.

The Texas Commission on Environmental Quality (TCEQ) determines petroleum products delivery fees. The Commission by rule shall set the amount of the fee in an amount not to exceed

the amount necessary to cover the agency's costs of administering this provision.

<https://comptroller.texas.gov/taxes/fuels/delivery-fee.php>

"Petroleum product" means a petroleum product that is obtained from distilling and processing crude oil and that is capable of being used as a fuel for the propulsion of a motor vehicle or aircraft, including motor gasoline, gasohol, other alcohol blended fuels, aviation gasoline, kerosene, distillate fuel oil, and #1 and #2 diesel. The term does not include naphtha-type jet fuel, kerosene-type jet fuel, or a petroleum product destined for use in chemical manufacturing or feedstock of that manufacturing.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

The current rates for gasoline, diesel fuel, aviation fuel, and/or jet fuel have been in effect since September 1, 1991. The imposition of tax on CNG and LNG moved to the person dispensing the CNG and LNG into a motor vehicle on September 1, 2013. Prior to September 1, 2013, CNG and LNG users were required to obtain a prepaid LG decal. Beginning September 1, 2015, no state motor fuels tax assessed on liquefied gas (propane or butane).

### **Section 8-State Collection Allowance**

The licensed supplier or permissive supplier (position holder in terminal) receives a 2 percent timely filing and payment allowance. The distributor or importer purchasing fuel from the terminal who timely pays tax to the Texas licensed supplier or permissive supplier receives 1.75 percent of the 2 percent; meaning the supplier or permissive supplier retains 0.25 percent. An importer who timely pays the tax on fuel imported into the state directly to the state receives a 2 per cent timely filing and payment allowance. Sections 162.113 and 162.116 for gasoline and 162.214 and 162.217 for diesel fuel.

<http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>

The licensed liquefied gas dealer receives a 1 percent timely filing and payment allowance. Beginning September 1, 2015, no state motor fuels tax on liquefied gas (propane or butane) so all liquefied gas dealer licenses will be cancelled.

The licensed CNG and/or LNG dealer receives a 1 percent timely filing and payment allowance. Section 162.362. <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>

### **Section 9-State Diversion Requirements**

**Diversion Required**

Yes.

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

Sections 162.004(e) and 162.016(g), Texas Tax Code, and Rule 3.441 (d), Texas Administrative Code. <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>

**What diversion registry program do you use?**

In house. The toll-free number to obtain a Diversion Number on motor fuel delivered to a destination state different than the destination state printed on Bill of Landing, delivery manifest or shipping document is (877) 976-7800.

**What products are subject to the diversion requirement?**

All gasoline and diesel fuel.

**Diversion Requirements.**

An importer or exporter who diverts fuel must obtain a diversion number from the comptroller. It must be obtained within 72 hours and must be written on all copies of the shipping document.

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

The purchaser who diverted the product must apply for the refund. The supplier may not refund any taxes due to the diversion of a product.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

The supplier is not allowed to rebill or give a credit for a diverted load.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** No, it is the responsibility of the purchaser.

**Any Additional Comments?**

A terminal operator or bulk plant operator may rely on the representation made by the purchaser of motor fuel or the purchaser's agent concerning the destination state of the motor fuel. A purchaser is liable for any tax due as a result of the purchaser's diversion of motor fuel from the represented destination state. The purchaser is responsible for paying the applicable destination state taxes along with filing a refund with the origin state. The supplier may not refund any taxes due to the diversion of a product.

**Section 10-Alternative Fuels Incentives and Laws**

Texas is the home of the Alamo Area ([www.aacog.com/cleancities](http://www.aacog.com/cleancities)), Central Texas ([www.cityofaustin.org/cleancities](http://www.cityofaustin.org/cleancities)), Dallas/Fort Worth ([www.nctcog.org/cleancities](http://www.nctcog.org/cleancities)), East Texas (<http://www.netac.org/283/Clean-Cities.htm>), Greater Houston Regional ([www.houston-cleancities.org](http://www.houston-cleancities.org)), and South East Texas Clean Cities Coalitions ([http://www.setrpc.org/ter/index.php?option=com\\_content&view=article&id=16&Itemid=24](http://www.setrpc.org/ter/index.php?option=com_content&view=article&id=16&Itemid=24)). Coordinator contact information is listed in the Points of Contact section.

**State Incentives****Heavy-Duty Natural Gas Vehicle (NGV) Grants**

To encourage fleets to increase their use of heavy-duty NGVs, the Texas General Land Office (GLO) has an NGV Initiative Grant Program available for public-sector partners in certain Texas

counties. The program is funded with a Texas Emissions Reduction Plan grant through the Texas Commission on Environmental Quality. A variety of vehicles, including street sweepers, forklifts, buses, and garbage trucks, are eligible for grants to help cover the cost of replacing diesel vehicles with NGVs. For more information about the program and eligible counties, see the <http://www.tceq.texas.gov/airquality/terp/tngvgp.html>.

**Alternative Fuel Vehicle (AFV) Grants** The Adopt-A-School Bus Program, a cooperative partnership between the U.S. Environmental Protection Agency, state agencies, local elected officials, and corporate sponsors, was established as a nonprofit grant program to aid local school districts replacing their aging, diesel school bus fleets with new clean fuel buses. In an effort to ensure the longevity of the new buses, a portion of all grant money awarded is earmarked for fleet infrastructure and maintenance. For more information, please visit the Web sites for Dallas-Fort Worth and San Antonio/Alamo Area. [http://www.seco.cpa.state.tx.us/funding/sep/sep\\_2-2\\_alt\\_fuel.php](http://www.seco.cpa.state.tx.us/funding/sep/sep_2-2_alt_fuel.php) or <http://www.seco.cpa.state.tx.us/funding/vehicle.php>.

### **Clean Vehicle and Equipment Grants**

The Texas Emissions Reduction Plan (TERP) provides grants for various types of clean air projects in 41 counties to improve air quality in the state's non-attainment areas. Grants are available for new, converted, or repowered on-road and off-road vehicles and equipment. For complete information on the types of projects and expenses that may be eligible for a grant, refer to <http://www.tceq.state.tx.us/airquality/terp/erig.html>, [http://www.tceq.texas.gov/airquality/terp/erig\\_apps.html](http://www.tceq.texas.gov/airquality/terp/erig_apps.html), or [http://www.tceq.texas.gov/assets/public/comm\\_exec/pubs/rg/rg388/rg-388.pdf](http://www.tceq.texas.gov/assets/public/comm_exec/pubs/rg/rg388/rg-388.pdf).

### **Alternative Fuel Grants**

The Texas Emissions Reduction Plan (TERP) provides grants for alternative fuel and advanced technology demonstration and infrastructure projects under the New Technology Research and Development (NTRD) Program, which provides incentives to encourage and support research, development, and commercialization of technologies that reduce pollution in Texas. The NTRD Program is administered by the Texas Environmental Research Consortium, with support from the Houston Advanced Research Center. (Reference Texas Statutes, Health & Safety Code, Chapter 386 at <http://www.statutes.legis.state.tx.us/Docs/HS/htm/HS.386.htm#386.001> )

## **Section 11-Taxability & Tax Rates for Biodiesel/Renewable Diesel Fuel and Ethanol**

<b>B00 / R00</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol – E00</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.20/gallon	Not taxable	Not taxable	\$0.20/gallon	Not taxable	Not taxable

## **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel / Renewable Diesel Fuel</b>	<b>Ethanol</b>
<p>There is no tax on B00 or R00. The volume of biodiesel or renewable diesel fuel blended with petroleum diesel fuel is exempt from the \$0.20 per gallon state tax when clearly identified on the sales invoice, retail pump, and storage tank.</p> <p>Only the volume of petroleum diesel in the blend is taxable. Tax is due on import.</p>	<p>There is no Motor Fuel License required for 100% Ethanol; however, you must be licensed with a Texas Limited Sales and Use Tax Permit. Ethanol becomes taxable when used as a feedstock for gasoline. The tax rate is \$0.20/gallon. In order to blend ethanol you must be registered as a Supplier, Permissive Supplier or a distributor <u>when making wholesale sales. If blending for own use or sale through own retail dealer location you must be registered as a blender.</u></p>

## **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.15 per gallon when dispensed into a motor vehicle beginning September 1, 2013.	Converted to gasoline gallon equivalent ( <u>5.660 lbs</u> ) or diesel gallon equivalent ( <u>6.380 lbs</u> ).
<b>E85</b>	\$0.20 per gallon	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>		
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.15 per gallon when dispensed into a motor vehicle beginning September 1, 2013	Converted to gasoline gallon equivalent ( <u>5.370 lbs</u> ) or diesel gallon equivalent ( <u>6.060 lbs</u> ).

<b>LPG (Liquefied Petroleum Gas)</b>	Prior to September 1, 2015, prepaid decal for TX-plated motor vehicles and \$0.15 per gallon for out-of-state plated motor vehicles and IFTA licensed vehicles. Beginning September 1, 2015, no motor fuels tax on Liquefied Petroleum Gas.	
<b>Methanol or "M85"</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No. Propane is exempt from Texas motor fuels taxes.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
	<b>Subject to Texas Sales and Use Tax. Not subject to motor fuels tax until blended with a petroleum product.</b>	<b>Not reportable on the monthly Texas Fuels Tax Report until blended with a petroleum product.</b>

**Section 16-How does your state handle contaminated fuel?**

Gasoline and diesel fuel that becomes contaminated and is no longer suitable for use as a motor fuel is eligible for tax refund. Records are required that document; how the fuel was contamination, the amount of fuel contaminated before and after the incident, and the disposal of the contaminated gasoline or diesel fuel.

**Section 17-Does your state allow bad debt credits?**

A licensed supplier, permissive supplier, or distributor who has sold tax-paid gasoline or diesel fuel on account and a licensed compressed natural gas/liquefied natural gas dealer who has sold tax-paid compressed natural gas/liquefied natural gas on account may claim a refund of the tax paid when the account is written off their accounting books as an uncollectable bad debt. Any money received as a payment on the account must be applied ratably between the amount the product sold and the amount of tax.

A licensed supplier or permissive supplier may take a 100% credit for taxes previously paid on gasoline or diesel fuel removed from an IRS registered terminal when the distributor or importer

defaults on the deferred payment of tax to the supplier or permissive supplier. The supplier or permissive supplier must notify the comptroller within 15 days of the default. Sections 162.116 for gasoline and 162.217 for diesel fuel.

<http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>

### **Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
All motor fuel reports.	25 <sup>th</sup> day of the month following the reporting period.	25 <sup>th</sup> day of the month following the reporting period.
IFTA reports.	Last day of the month following the reporting quarter.	Last day of the month following the reporting quarter.

Monthly returns are due on the 25th day of the month following the end of the calendar month. Quarterly returns are due on the 25th day of the month following the end of the calendar quarter.

Yearly returns are due on January 25th. Texas Fuels Tax Code, Sections 162.114 for gasoline, 162.215 for diesel fuel, and 162.362 for compressed natural gas and liquefied natural gas can be found at <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>. The IFTA tax return and full payment of taxes are due on the last day of the month following the reporting quarter period for which the tax return is due. (IFTA Articles of Agreement - R960.100).

### **Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmark date or hand delivered to a Comptroller field office on or before the due date is timely filed. If a tax payment or a report is placed in a U.S. Post Office or in the hands of a common or contract carrier properly addressed to the comptroller on or before the date the payment or report is required to be made or filed, the payment or report is made or filed on time. Tax Code, Chapter 111, Section 111.054(a) can be found at <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.111.htm#111.001>.

### **Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Electronic filers must comply with established report due dates. Approved electronic tax filers can make their payments using the Electronic Data Interchange (EDI) payment option or continue to make their payments by Electronic Funds Transfer (EFT) or by check if the license holder is not a mandatory EFT Payer. If the license holder transmits their tax payment with their report, the license holder must complete the transaction before 2:30 p.m. (CT) the last banking

day before the due date. The license holder's return without payments must be completed by 11:59 p.m. (CT) on the due date. Any return transmitted after this time is considered late and appropriate penalties will be assessed. Returns filed after the due date are assessed a \$50 late filing fee. For the license holder's convenience, the system operates 24 hours a day. EDI filers transmitting returns to the Comptroller will receive a "confirmation number" upon completion of the transmission. This is the taxpayer's receipt for an electronically filed return.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

If the date on which a report or payment of any state tax is due falls on a Saturday, Sunday, or legal holiday, the next day that is not a Saturday, Sunday, or legal holiday becomes the due date. Tax Code, Chapter 111, Section 111.053(a) can be found at <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.111.htm#111.001>. For IFTA returns and payments, if the last day of the month falls on a Saturday, Sunday, or legal holiday, the next business day is considered the due date. (IFTA Articles of Agreement - R960.100).

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
All motor fuel reports.	\$50 for late filing even if \$0 or a credit or refund due.	
All motor fuel reports.		1-30 days late is a 5% penalty.
All motor fuel reports.		31 days or more days late is a 10% penalty.
Supplier and Distributor returns (06-168)	A person who fails to report a tax-free subsequent sale of gasoline or diesel fuel in this state prior to export and does not file an amended report that includes the sale not later than the 180th day after the due date of the original report of the sale, will enter a penalty of \$200 for each sale that is not reported. (Line 17)	A person who fails to pay the tax when due on gasoline or diesel fuel purchased for export and redirected to a destination in this state will enter a penalty equal to the greater of \$2,000 or five times the amount of the tax due on the motor fuel. (Line 22)



**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is gasohol and included in our definition of gasoline and subject to Texas motor fuels tax. E85 is not reported separate from any other gasohol. Any ethanol blended fuel from E85 down is reported on the gasohol line. Gasohol is defined as a blended motor fuel composed of gasoline and motor fuel alcohol. If any blend over E85 is sold, used or capable of being used as a motor fuel, it is subject to motor fuels tax and reported on the motor fuels tax return. Motor fuel is defined as gasoline, diesel fuel, gasoline blended fuel, compressed natural gas, liquefied natural gas, and other products that are offered for sale, sold, used, or capable of use as fuel for a gasoline-powered engine or a diesel-powered engine. For example, if someone was selling an E86 - E92 and the ethanol blended fuel is offered for sale, sold, used, or capable of use as a fuel for a gasoline-powered engine or a diesel-powered engine, it would be subject to Texas motor fuels tax. Definitions of gasohol and motor fuel can be found <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, a person who does not hold title to the motor fuel being transported and who transports gasoline, diesel fuel, gasoline blended fuel, aviation fuel, or any other motor fuel outside the bulk transfer/terminal system by means of a transport vehicle, a railroad tank car, or a marine vessel is required to obtain a motor fuel transporter license and report quarterly. A carrier transporting liquefied gas, compressed natural gas, or liquefied natural gas is not required to obtain a motor fuel transporter license. <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

The Comptroller's office allows flash title transactions with recordkeeping requirements to track the bill of lading number printed at the Texas IRS-registered terminal.

The licensed supplier/distributor that is the first purchaser or first receiver at the IRS-registered terminal in Texas will have the option to swipe a Texas destination and remit Texas motor fuels tax since the licensed supplier/distributor is reselling the motor fuel in Texas and allow the exporter to request the refund directly from the Texas Comptroller of Public Accounts, or if declared a flash title transaction, the licensed supplier/distributor, which is the first purchaser or first receiver, may swipe the destination state's card and remit the destination state's motor fuels tax which is printed on the bill of lading to the licensed supplier. Each time the motor fuel is resold in Texas, the Texas licensed seller must report the motor fuel using the same BOL number.

Since the first purchaser or first receiver at the Texas terminal rack is not the actual exporter of record, they cannot report the gallons exported because the gallons were actually resold in Texas and not exported by the first purchaser or first receiver. A person who purchases or removes

gasoline or diesel fuel tax-free and before export sells the gasoline or diesel fuel in this state tax-free to a licensed seller shall report that transaction to the Comptroller. If the gasoline or diesel fuel is subsequently sold one or more times in this state before export and tax-free to a licensed seller, each seller shall report the transaction to the Comptroller. (Section 162.1155 & 162.2165)

On the monthly Texas Fuels Tax Report, the first purchaser or first receiver and any licensed person reselling motor fuel in Texas purchased in a flash title transaction must report the motor fuel sold tax-free to another license seller in this state prior to export on line # 17, "Gallons subsequently sold tax-free prior to export", until the motor fuel is actually exported from Texas at which time the actual exporter of record will report the gallons exported on line # 15, "Gallons exported."

Both lines require the BOL number issued by the licensed supplier at the IRS terminal be reported on the accompanying schedule. Any misreporting or non-reporting by the Texas licensed seller or exporter constitutes a taxable Texas transaction and is subject to penalty.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?**  
**Please provide the Statute that supports that deferral.**

Yes, Texas allows a licensed distributor or licensed importer to elect to defer payment of the tax to the supplier or permissive supplier until two days before the date the supplier or permissive supplier is required to remit the tax to this state. The distributor or importer shall pay the taxes by electronic funds transfer.

Texas Tax Code Sections [162.113](#) regarding gasoline and [162.214](#) regarding diesel fuel for Remittance of tax to a supplier or permissive supplier allowances subsection (a).

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

Texas does not allow deferral of the petroleum product deliver fee. Texas assesses a delivery fee on all petroleum products when they are withdrawn from a bulk facility (a terminal or a refinery) and delivered into a cargo tank or barge or imported into the state in a cargo tank or barge for delivery to another location for distribution or sale.

Suppliers collect the delivery fee from a company that purchases petroleum products when the products are withdrawn into cargo tanks, and importers remit the fee directly to the Comptroller's office when petroleum products are imported into Texas.

Texas Water Code Section [26.3574](#). Fee on delivery of certain petroleum products.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No. The Texas Sales and Use Tax Code Section 151.308(a)(2) exempts motor fuels and special fuels as defined, taxed, or exempted by Texas Motor Fuels Tax Code Chapter 162.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

A bond is required by a supplier, permissive supplier, distributor, exporter, importer, or blender when the application is submitted. A motor fuels license applicant, other than a supplier or permissive supplier, must post a bond equal to two times the maximum amount of tax that could accrue during a reporting period with a minimum bond of \$30,000. To obtain a supplier or permissive supplier's license, the applicant must post a minimum \$600,000 bond.

The bond may be in the forms of a surety bond, cash in the form of United States currency in an amount equal to the required bond, a certificate of deposit in any Texas bank or savings and loan association that is a member of the Federal Deposit Insurance Corporation in an amount equal to the bond amount assigned to the comptroller, or an irrevocable letter of credit to the comptroller from any Texas bank or savings and loan association that is a member of the Federal Deposit Insurance Corporation in an amount of credit at least equal to the bond amount.

A license holder who has filed a bond or other security is entitled, on request, to have the comptroller return, refund, or release the bond or security if in the judgment of the comptroller the person has for four consecutive years continuously complied with the conditions of the bond or other security filed. <http://www.statutes.legis.state.tx.us/Docs/TX/htm/TX.162.htm>

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel

- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Terminal Operator		7,10
Exporter		1,2
Blender	X	8
Motor Fuel Transporter		6
Aviation Fuel Dealer		
Interstate Trucker	X	
Dyed Diesel Bonded User		
Supplier	X	1,2,3,5,6,8
Permissive Supplier	X	1,2,3,5,6,8
Distributor	X	1,2,3,6,8

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No, A Texas licensed supplier will either collect Texas tax or if licensed in the destination state, collect the destinations states tax.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

FILING BY PAPER: The taxpayer is supplied with an error letter that details the errors they have. On the detail version are locator numbers for each individual detail. The State of Texas provides paper amended summary reports and amended schedules by mail to the taxpayer or they can go to our website to obtain them.

- The summary amended reports must be completed filled out if amending.
- The schedules have LOCATOR BOXES in which the taxpayer can put the correct locator they want to update.
- Paper filers will need to submit the amended paper returns.

<https://comptroller.texas.gov/taxes/fuels/forms/amended-gasoline-distributors.php>

<https://comptroller.texas.gov/taxes/fuels/forms/amended-diesel-distributors.php>

FILING ELECTRONICALLY: The taxpayer is supplied with an error letter that details the errors they have.

- Electronically filed Motor Fuels Tax reports must use the Comptroller's Electronic Data Interchange (EDI) systems.
- The amended electronically filed report will overwrite the data currently in the Comptroller's mainframe systems when the EDI data is transferred to the Comptroller's mainframe systems.
- The amended report must be a complete duplicate of the previous report. The previous report is usually the original report.
- Corrections are made to each invoice line item (locator number) within each of the schedules.
- If you need to update the Texas taxpayer identification number for one of the invoice line items (locator number), simply update the taxpayer identification number for that invoice line item (locator number).
- Do not delete an invoice line item (locator number). If you need to delete an invoice line number (locator number), change the number of gallons to zero for that invoice line item (locator number). Deleting an invoice line item (locator number) within a schedule may result in leaving a previously reported invoice line item (locator number) to remain in the Comptroller's mainframe systems.
- If you need to add a new invoice line number (locator number) to a schedule, add the new invoice line number (locator number) at the end of the schedule.
- The schedule totals must agree with the summary totals within the amended report.

### **Section 34-Does your state allow credit and rebills on the current month report?**

Texas does not require a supplier or distributor to rebill; however, there is nothing in the law that states the supplier cannot rebill. Rebilling is at the discretion of the seller. If they choose to rebill, they are required to report the information based upon the month of activity.

### **Section 35-How many days are allowed to report late loads?**

60 days.

### **Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Texas Tax Code Section 162.004(b) regarding motor fuel transportation documents. A shipping document must contain the following:

- (1) the terminal control number of the terminal or physical address of the terminal or bulk plant from which the motor fuel was received;
- (2) the name of the purchaser;
- (3) the date the motor fuel was loaded;
- (4) the net gallons loaded, or the gross gallons loaded if the fuel was purchased from a bulk

plant;

(5) the destination state of the motor fuel, as represented by the purchaser of the motor fuel or the purchaser's agent; and

(6) a description of the product being transported.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Texas Tax Code Chapter 162

United States Government – 162.104(a)(1), 162.204(a)(1), 162.356(a)(1).

Texas Public School Districts – 162.104(a)(2), 162.204(a)(2) and 162.356(a)(2).

Commercial Transportation Company or a Metropolitan Rapid Transit Authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district – 162.104(a)(3), 162.204(a)(3), 162.356(a)(3).

Volunteer Fire Departments – 162.104(a)(8), 162.204(a)(14), 162.356(a)(4).

Nonprofit Electric Cooperative corporation organized under Chapter 161 Utility Code – 161.062, 162.356(a)(6).

Nonprofit Telephone Cooperative Corporation organized under Chapter 162 Utility Code – 162.062, 162.356(a)(7).

Nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the fuel exclusively to provide emergency medical services, including rescue and ambulance services – 162.104(a)(9), 162.204(a)(15), 162.356(a)(9).

CNG/LNG - A municipality or county who operates a motor vehicle in this state -162.356(a)(5).

Nonprofit Food Banks – 162.104(a)(10),162.204(a)(16)

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

A taxpayer has four years to file an amended return from the date that the tax becomes due and payable.

Texas Tax Code Section 111.0041.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Four years for motor fuel license holders and one year for unlicensed purchasers from the date of purchase.

Texas Tax Code Sections:

111.108;

162.128;

162.230;

162.369.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

A motor fuel tax license holder may obtain a refund or credit by amending the applicable motor fuel tax return.

A person who does not hold a license may submit form 06-106 (Claim for Refund of Gasoline or Diesel Fuel Taxes) to obtain a refund of tax paid gasoline or diesel fuel.

Regarding claims for tax paid on CNG or LNG a person may submit form 06-189 (Texas Claim for Refund of CNG or LNG).

**Section 41- Does your state accept electronic BOLs?**

Yes.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

BOL date.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Texas provides all motor fuel tax returns and instructions at <https://comptroller.texas.gov/taxes/fuels/forms/diesel-suppliers.php>. The Texas Fuels Tax Reports form 06-168 and all corresponding schedules can be obtained at this link, including instructions with each return and applicable schedule.

# STATE OF UTAH

## **Section 1-Contact Information**

**Agency:** Utah State Tax Commission

**Name:** Doug Smith

**Street Address:** 210 N 1950 West

**City, State Zip Code:** SLC Utah 84134

**Phone Number:** 801-518-4306

**Fax Number:** 801-297-3699

**E-mail Address:** dgsmith@utah.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:** Utah Tax Code 59-13, Utah Administrative Rules R865-4D and R865-13G.

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Rack

**Aviation Fuel:** Distributor

**Jet Fuel:** Distributor

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-:

Point of Taxation: Utah Tax Code 59-13



## **Section 5-State Tax Rates**

**Gasoline:** 36.4 cents/gallon until June 30, 2023. 34.5 cents/gallon for the period of July 1, 2023 – December 31, 2023. 36.5 cents/gallon for the period January 1, 2024 to December 31, 2024.

**Diesel:** 36.4 cents/gallon until June 30, 2023. 34.5 cents/gallon for the period of July 1, 2023 – December 31, 2023. 36.5 cents/gallon for the period January 1, 2024 to December 31, 2024.

**Aviation Fuel:** 2.5 cents for federally certificated air carriers (@ international airport)  
6.5 cents for federally certificated air carriers (airports other than international)  
9 cents/gallon all other operations

**Jet Fuel:** same as aviation fuel

**Environmental Assurance Fee:** 13/20 cents per gallon.

**CNG:** 12.5 cents/GGE until June 30, 2017. 14.5 cents/GGE beginning July 1, 2017 until June 30, 2018. 16.5 cents/GGE beginning July 1, 2018. 16.8 cents/GGE beginning January 1, 2020. 17.1 cents/GGE beginning January 1, 2021. 17.5 cents beginning January 1, 2022. 18.8 cents/GGE beginning January 2023. .20 cents/GGE beginning January 1, 2024.

**LNG:** 12.5 cents/DGE until June 30, 2017. 14.5 cents/DGE beginning July 1, 2017 until June 30, 2018. 16.5 cents/DGE beginning July 1, 2018. 16.8 cents/DGE beginning January 1, 2020. 17.1 cents/DGE beginning January 1, 2021. 17.5 cents/DGE beginning January 1, 2022. 18.8 cents/DGE beginning January 1, 2023. .20 cents/DGE beginning January 1, 2024.

**Hydrogen:** 12.5 cents/GGE until June 30, 2017. 14.5 cents/DGE beginning July 1, 2017 until June 30, 2018. 16.5 cents/GGE beginning July 1, 2018. 16.8 cents/GGE beginning January 1, 2020. 17.1 cents/GGE beginning January 1, 2021. 17.5 cents/GGE beginning January 1, 2022. 18.8 cents/GGE beginning January 1, 2023. .20 cents/GGE beginning January 1, 2024.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

All Utah licensed motor fuel distributors and special fuel suppliers shall elect to calculate the tax liability on the fuel tax returns on a consistent and strict gross gallon or net gallon basis.

Utah Administrative Rule R865-4D-21 and Utah Administrative Rule R865-13G-11.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

**Environmental Assurance Fee:** 13/20 cents per gallon.

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

CNG beginning January 1, 2024 goes from 18.8 cents/GGE to 20 cents/GGE

LNG beginning January 1, 2024 goes from 18.8 cents/DGE to 20 cents/DGE.

Hydrogen beginning January 1, 2024 goes from 18.8 cents/GGE to 20 cents/GGE

Motor Fuel and Clear/Bio Diesel beginning January 1, 2024 36.5 cents per gallon.

## **Section 8-State Collection Allowance**

There is a 2% allowance from the gross taxable amount of motor fuel and aviation fuel for all evaporation, loss in handling, and expenses of collection.

## **Section 9-State Diversion Requirements**

**Diversion Required** No

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** N/A

**What diversion registry program do you use?** N/A

**What products are subject to the diversion requirement?** N/A

**Diversion Requirements.**

Must credit/rebill because tax, penalty and interest would apply to the supplier.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Supplier must request the refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?** No requirement

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** Yes

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

Utah is the proud home of the Utah Clean Cities Coalition ([www.utahcleancities.org](http://www.utahcleancities.org)).

Coordinator contact information is listed in the Points of Contact section.

### **Alternative Fuel Vehicle (AFV) and Refueling Infrastructure Grants and Loans**

The Utah Clean Fuels and Vehicle Technology Grant and Loan Program, funded through the Clean Fuels and Vehicle Technology Fund, provides grants and loans to assist businesses and government entities in covering: the cost of converting a vehicle to operate on clean fuels; the incremental cost of purchasing an Original Equipment Manufacturer (OEM) clean fuel vehicle; and the cost of retrofitting diesel vehicles with U.S. Environmental Protection Agency verified closed crankcase filtration devices, diesel oxidation catalysts, and/or diesel particulate filters.

The Clean-Fuels Grant and Loan Program also provide loans for the purchase of fueling equipment for public/private sector business and government vehicles. In addition, the program can provide grants to serve as matching funds for federal and non-federal grants for the purpose of purchasing fueling equipment for public/private sector business and government vehicles. Finally, the program can provide grants and loans to serve as matching funds for federal and non-federal grants for the purpose of converting vehicles to operate on a clean fuel, purchasing OEM clean fuel vehicles, or retrofitting diesel vehicles.

The following are some of the restrictions and limitations of the grant and loan program

- The annual combined total for all both grants and loans approved shall not exceed a maximum of \$250,000 for a total of \$500,000 per year.
- The maximum amount that may be approved by the Department for a loan or a grant is \$100,000 per project; the minimum amount that may be approved is \$5,000 per project.
- The maximum number of vehicles purchased, converted, or retrofitted using grant funds by any fleet operator shall not exceed 100 vehicles.
- Bi-fuel vehicles must operate on the clean-fuel at least 70% of vehicle miles traveled beginning at the time of conversion or purchase of the vehicle.
- Hybrid electric vehicles are not eligible for loans or grants under this program.

(Reference [Utah Code](#) 19-1-403 and 19-1-404)

### **Alternative Fuel Vehicle (AFV) Parking Incentive**

Salt Lake City has established a free metered parking program for “Green Vehicles”, which are vehicles that can be powered solely by an alternative fuel (propane, compressed natural gas, or electricity) or that are top performers in regards to city fuel economy or emissions. Vehicles must have a Utah Clean Fuel special group license plate, or qualify for a Salt Lake City Green Vehicle parking permit by meeting the following conditions: 1) achieve 50 miles per gallon or greater in fuel economy, or 2) achieve a [U.S. Environmental Protection Agency pollution score](#) of at least eight and are new vehicles available for sale as in areas that include Utah. Green Vehicle parking permits are available from the Salt Lake City Transportation Division.

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.365/gallon or current rate	B100 is taxable		Ethanol is not taxable until blended	\$0.365/gallon or current rate	

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. It is taxed at \$0.365/gallon or current rate.	Ethanol is not reportable until blended with gasoline. The tax rate is \$0.365/gallon or current rate.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$0.200 per GGE	<b>120 cubic feet 5.660 pounds of CNG = 1 gasoline gallon equivalent</b>
<b>E85</b>		<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Not Currently Taxed	
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>	\$0.200 per gallon equivalent	<b>Not Applicable 2.198 pounds of Hydrogen = 1 gasoline gallon equivalent</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.200 per gallon equivalent	<b>1 liquid gallon equivalent 6.06 pounds of LNG = 1 diesel gallon equivalent</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Not Currently Taxed	
<b>Methanol or “M85”</b>		<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable

**Section 16-How does your state handle contaminated fuel?**

See Utah Code 59-13

**Section 17-Does your state allow bad debt credits?**

No

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
TC-109 Fuels Tax Return	Returns are due the last day of the month after the period ends.	Payments are due by the due date of the return.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

We encourage all taxpayers to file their fuel tax returns, reports and payments online. We don't accept paper fuel tax returns.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Fuel tax returns are due the last day of the month after the period ends. If the return is due on a Saturday, Sunday or legal holiday, the return is due the next business day. (Returns due on a Friday must be submitted by midnight).

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The returns and payments are due the next business day.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
	See Utah Code 59-1	

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is taxed as Motor Fuel

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes – See Utah Tax Code 59-13

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Yes. See Utah Tax Code 59-13. Upon agreement of wholesaler and supplier, the payment of the taxes to the supplier under this part may be made on or before one business day prior to the time that the supplier is required to remit those taxes to the commission. This applies only to the excise tax on undyed diesel fuel.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

There is no deferral of the environmental assurance fee.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Sales tax is imposed on Dyed Diesel (see Utah Tax Code 59-12)

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

See Utah Tax Code 59-13

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Motor Fuel Distributor	√	1,2,3,7,8,9
Special Fuel Supplier	√	1,2,3,7,8,9
Aviation Fuel Distributor	√	1,2,3,7,8,9
CNG, LNG, Hydrogen	√	4
Transporter		6
Environmental Assur. Fee	√	1,3,8,9

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended fuel tax returns are to be filed electronically. To correct an error on a previously filed return, resubmit that period's return with corrected figures, not net amounts. The amended return will completely replace the original return. If you owe additional tax due, pay that tax plus interest.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes

**Section 35-How many days are allowed to report late loads?**

Late loads not accepted. Amended returns required.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Utah Code 70A, Chapter 7a, Part 3, Bills of Lading – Special Provision

**Section 37-What entities are exempt / excluded in your state? Please cite the statutory reference.**

See Utah Code 59-13

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Three-year Statute of Limitations

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Three-year Statute of Limitations

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

An amended return is a specific claim for motor fuel tax refund.



**Section 41- Does your state accept electronic BOLs?**

Not addressed in Statute

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales).**

BOL date

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instruction.**

The TC-109 template and instructions are located on the Utah State Tax Commission website.

[www.tax.utah.gov/forms-pubs](http://www.tax.utah.gov/forms-pubs).

When you have reached the current forms page, you will filter by tax type, which is fuel. At this point, all the forms related to fuel tax will be available. The TC-109 Template is the template for the fuel tax return, and the TC-109 Instructions would contain the instructions.

# **STATE OF VERMONT** *(Last Updated 2023)*

## **Section 1-Contact Information**

**Agency:** Agency of Transportation – Department of Motor Vehicles

**Name:** Commercial Vehicle Operations

**Street Address:** 120 State Street

**City, State, Zip Code:** Montpelier, VT 05603

**Phone Number:** 802-828-2070

**Fax Number:** 802-828-3577

**E-mail Address:** dmv.cvo@vermont.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

23 VSA Chapter 27 - Diesel

23 VSA Chapter 28 - Gas

DMV Rule – APA29

## **Section 3-State Point of Taxation**

**Gasoline:** Distributor

**Diesel:** Distributor

**Aviation Fuel:** Distributor

**Jet Fuel:** Currently subject to Sales Tax, Contact The Vermont Department of Taxes.

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver:** MF - Importer (T.23 V.S.A. § 3101), Diesel – Distributor (T.23 V.S.A. § 3003)

**Point of Taxation:** Distributor (T.23 V.S.A. § 3106) & (T.23 V.S.A. § 3003)

## **Section 5-State Tax Rates**

**Gasoline:** \$0.121 tax + MFTIA Fee + MFTA Fee + \$.01 clean up fee per gallon

**Diesel:** \$0.28 tax + \$.03 MFTA Fee + \$.01 clean up fee per gallon

**Aviation Fuel:** Same as Gasoline above

**Jet Fuel:** Subject to 6% Sales Tax (Administered by the Vermont Department of Taxes)

**Gasoline MFTIA** – Fee adjusted for each calendar quarter

**Gasoline MFTA** - Fee adjusted for each calendar quarter

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

All fuel types listed have an additional \$0.01 per gallon petroleum clean up fee in addition to the tax. This fee is applied to all fuel products including heating fuels, B100 & kerosene.

Gasoline also has a Motor Fuel Transportation Infrastructure Assessment (MFTIA) fee that is determined on a quarterly basis by using a rate that is the greater of 2% of the average retail price of gasoline during the previous calendar quarter or a statutory floor rate of \$0.0396.

Gasoline also has a second Motor Fuel Transportation Assessment (MFTA) fee that is determined on a quarterly basis by using a rate that is the greater of 4% of the average retail price of gasoline during the previous calendar quarter, capped at \$0.18 or a statutory floor rate of \$0.134.

Diesel Fuel has an additional \$0.03 per gallon Motor Fuel Transportation Infrastructure Assessment (MFTIA) fee. Currently, the diesel MFTIA fee does not fluctuate.

## **Section 8-State Collection Allowance**

Vermont does not have a collection allowance

## **Section 9-State Diversion Requirements**

**Diversion Required: No**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

**What diversion registry program do you use? N/A**

**What products are subject to the diversion requirement? N/A**

**Diversion Requirements.**

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Supplier (Distributor) must request refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?**

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

Vermont is the proud home of the Vermont Clean Cities Coalition ([www.uvm.edu/~cleancty/](http://www.uvm.edu/~cleancty/)). Coordinator contact information is listed in the Points of Contact section.

**State Incentives**

**Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Research and Development Tax Credit**

Vermont businesses involved exclusively in the design, development, and manufacture of electric vehicles (EVs), AFVs, HEVs, as well as energy technology involving fuel sources other than fossil fuels, and qualify as a “high-tech business” are eligible for up to three of the following tax credits: 1) payroll income tax credit; 2) qualified research and development income tax credit; 3) export tax incentive; 4) small business investment tax credit; and 5) high-tech growth tax credit. Certain limits and restrictions apply. (Reference [Vermont Statutes](#) Title 32, Chapter 151, Section 5930k)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
Exempt	Any blend less than B100 is taxable	< B100 taxed as diesel fuel, see above	Taxable	Ethanol is taxed as gasoline, see above	

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax becomes due when blended and is suitable for use as a motor fuel.	Ethanol is treated like gasoline. Subject to Gasoline tax rate state above. Sales to licensed distributors are tax free.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Currently not subject to Motor Fuel Tax	
<b>E85</b>	Taxable	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	Currently not subject to Motor Fuel Tax	
<b>Gasoline Hybrid Vehicles</b>	Taxable	<b>Not Applicable</b>
<b>Hydrogen</b>	Currently Not Taxable	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Currently Not Taxable	
<b>LPG (Liquefied Petroleum Gas)</b>	Currently Not Taxable	
<b>Methanol or “M85”</b>	Currently Not Taxable	<b>Not Applicable</b>
<b>Other</b>	N/A	<b>Not Applicable</b>

### **Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

### **Section 15-Please list what blendstocks are taxable or reportable in your**

**state.**

Blendstock	Tax Rate	Reportable

**Section 16-How does your state handle contaminated fuel?**

Vermont handles contaminated fuel on a case by case basis and does not have a standard or stated policy on contaminated fuel.

**Section 17-Does your state allow bad debt credits?**

Vermont does not allow for bad debt credits.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Distributor Fuel Tax Return	25 <sup>th</sup> day of following month	25 <sup>th</sup> day of following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Vermont determines tax reports timely filed by postmark.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Returns and payments are due on the next business day

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Distributor Fuel Tax Return	\$10.00	Interest of 1.5%

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered**

All Ethanol blends are subject to Vermont Motor Fuel tax. Vermont does not have percentage ranges for Ethanol blends.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Vermont does not require transporter returns.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

N/A

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

No

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Vermont does not impose sales tax on gasoline or clear diesel fuel. Dyed diesel may be subject to Vermont sales tax when used in certain circumstances.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Vermont requires Motor Fuel & Diesel Distributors to be licensed and bonded. The bonding requirements for licensed Distributors can be found under T.23 V.S.A. § 3117 for Motor Fuels and T.23 V.S.A. § 3011 for Diesel.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Distributor	√	1, 2, & 3
Dealer		4

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

Vermont does not tax at the rack



**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

**Section 34-Does your state allow credit and rebills of the current month report?**

No

**Section 35-How many days are allowed to report late loads?**

Vermont does not allow for reporting of late loads

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

No statutory reference for BOL/Shipping documents.

**Section 37-What entities are exempt / excluded in your state?  
Please cite the statutory reference.**

Vermont does not exempt Gasoline tax. Diesel fuel tax is exempted under T.23 V.S.A. § 3003.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

There is no statute of limitations to amendments to remit additional tax.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Vermont does not refund Motor Fuel Tax, only allows adjustments through amended returns on a case by case basis. Contact Vermont DMV of review of adjustments.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Vermont allows adjustments via an amended return on a case by case basis after DMV review.

**Section 41- Does your state accept electronic BOLs?**

Yes

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Yes

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instruction.**

# STATE OF VIRGINIA

## **Section 1-Contact Information**

**Agency:** VA Department of Motor Vehicles  
**Name:** Tammy West  
**Street Address:** 2300 W. Broad Street  
**City, State Zip Code:** Richmond, VA 23269  
**Phone Number:** 804.367.0883  
**Fax Number:** 804.367.0233  
**E-mail Address:** Tammy.West@dmv.virginia.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Code of Virginia Chapter 22

## **Section 3-State Point of Taxation**

**Gasoline:** Terminal Rack  
**Diesel:** Terminal Rack  
**Aviation Fuel:** Terminal Rack  
**Jet Fuel:** Terminal Rack

## **Section 4-Please define “First Receiver” and “Point of Taxation” and site your statutory reference regarding point of taxation.**

First Receiver-:

Point of Taxation: When Fuel leaves terminal and crosses the rack.

### **Section 5-State Tax Rates**

**Gasoline:** Effective July 1, 2024 to June 30, 2025 -30.8 cents per gallon

**Diesel:** Effective July 1, 2024 to June 30, 2025 -31.8 cents per gallon

**Aviation Fuel:** Aviation Gas - 5 cents per gallon

**Jet Fuel:** Aviation Jet - 5 cents per gallon

For Aviation Consumers-5 cents per gallon for first 100,000 gallons of aviation jet fuel, excluding bonded aviation jet fuel, per fiscal year and .05 cents per gallon for any aviation jet fuel gallons, excluding bonded aviation jet fuel, over 100,000 per fiscal year.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Based what is billed.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Storage Tank fee (.006) -Va Code 58.1-2217 and 62.1-44.34:13.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

New rates effective July 1, 2023 noted in Section 5.

### **Section 8-State Collection Allowance**

Discounts in VA:

Percentage Discount:

Licensed Distributor and Importer - one percent of tax (.01) for remitting the tax due a supplier timely.

Administrative discount:

Suppliers and Providers of Alternative Fuel - one-tenth of one percent (.001) not to exceed

\$5,000 per month for payment and timely filing.

Percentage discount

Suppliers - who sell directly to unlicensed distributor, bulk user, retailer or user of fuel may take  
-one-half of one percent (.005)

### **Section 9-State Diversion Requirements**

**Diversion Required: Yes**

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

Code of Virginia-58.1-2263.D.3 (a, b, c)

**What diversion registry program do you use? FuelTracIII**

**What products are subject to the diversion requirement?**

All motor fuel products.

#### **Diversion Requirements.**

Per Virginia Code §58.1-2263 -Purchaser shall be liable for any tax due as a result of the purchaser's diversion of fuel from the represented destination state. They must notify the Commissioner before transporting the fuel that they have received instructions that destination has changed; receive confirmation number from the Commissioner authorizing the diversion; and write on the shipping document the change in destination state and the confirmation number for the diversion-

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Supplier /customer.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? The Supplier/Distributor is not required to rebill or give credit for diverted loads.**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? Yes**

#### **Any Additional Comments?**

Per Virginia Code §58.1-2263.c - A terminal operator or bulk plant operator may rely on the representation made by the purchaser of motor fuel or the purchaser's agent concerning the destination state of the motor fuel. A purchaser shall be liable for any tax due as a result of the purchaser's diversion of fuel from the represented destination state.

**\*\*\*\*The following section (Section 10) cannot be validated by the DMV Motor Fuels Tax Section.**

**Section 10-Alternative Fuels Incentives and Laws**

Virginia is the proud home of the Hampton Roads Clean Cities Coalition ([www.hrccc.org](http://www.hrccc.org)). Coordinator contact information is listed in the Points of Contact section.

**State Incentives**

**Biofuels Production Grants**

The Biofuels Production Fund is established to provide grants to producers of biofuels, specifically ethanol and biodiesel. Biodiesel fuels are defined as renewable, biodegradable, mono-alkyl ester combustible liquid fluid fuels from agricultural plant oils or animal fats that meet American Society for Testing and Materials (ASTM) specifications for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels. Ethanol fuels must also meet applicable ASTM specifications and be denatured as specified in Title 27 of the Code of Federal Regulations, Parts 20 and 21. A biofuels producer is eligible for a grant of \$0.10 per gallon of neat biofuels sold in the Commonwealth on or after January 1, 2007. To qualify, a biofuels producer must produce at least 10 million gallons of neat biofuels in the calendar year in which the incentive is taken. If a producer began selling neat biofuels prior to January 1, 2007, the producer is eligible for a grant only if its production of neat biofuels for the given calendar year exceeds its production in the 2006 calendar year by at least 10 million gallons and is maintained at a minimum of that level in future years. Each producer is only eligible for six calendar years of grants. Effective July 1, 2007, a biofuels producer must produce at least two million gallons of neat biofuels in the calendar year in which the incentive is taken, or exceed its 2006 production by at least two million gallons. (Reference [House Bill 3089, 2007](#), and [Virginia Code 45.1-393 and 45.1-394](#))

**High Occupancy Vehicle (HOV) Lane Exemption**

Alternative fuel vehicles (AFVs) displaying the Virginia 'Clean Special Fuels' license plate can use the Virginia HOV lanes, regardless of the number of occupants, until July 1, 2008. For HOV lanes serving the I-95/395 corridor, only vehicles registered with and displaying 'Clean Special Fuels' license plates issued prior to July 1, 2006, will be exempt from HOV lane requirements. Dedicated AFVs and some hybrid electric vehicles may qualify for the license plate and exemption; see the [Virginia Department of Motor Vehicles Web site](#) for a complete list of qualifying vehicles. The annual fee for 'Clean Special Fuels' license plates is \$25 in addition to the prescribed fee for state license plates. (Reference [House Bill 2132, 2007](#), and [Virginia Code 33.1-46.2 and 46.2-749.3](#))

**Alternative Fuel Job Creation Tax Credit**

Businesses involved with the manufacture of components for alternative fuel vehicles (AFVs), AFV conversions, or the production, storage, or dispensing of hydrogen as a vehicle fuel are eligible for a job creation tax credit worth \$700 per full-time employee. The credit is allowed in the taxable year in which the job is created and in each of the two succeeding years in which the job is continued. Qualifying businesses include AFV component

manufacturers and vehicle conversion companies. This credit is effective for taxable years beginning on or after January 1, 1996, through December 31, 2011. (Reference Virginia Code 58.1-439.1)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
*B99 and below- At diesel rate	B100 is not taxable	Subject to the Tank Fee when it is B99 or below	When blended-at gasoline rate	Not taxable	Not taxable Subject to tank fee if blended

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
*Although B100 is considered diesel fuel in VA, it is not taxable until it is blended.	Tax is not required however a license is required to import ethanol.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Yes	Cubic feet of CNG x 0.007895
<b>E85</b>	Yes	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No	Not Applicable
<b>Gasoline Hybrid Vehicles</b>	Yes	<b>Not Applicable</b>
<b>Hydrogen</b>	Yes	Cubic feet of Hydrogen x 0.002798
<b>LNG (Liquefied Natural Gas)</b>	Yes	LNG gallons x 0.650957
<b>LPG (Liquefied Petroleum Gas)</b>	Yes	LPG gallons x 0.7404741
<b>Methanol or “M85”</b>	Yes	M100 gallons X .497512
<b>Other</b>	Not Applicable	<b>Not Applicable</b>



**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

Blendstock	Tax Rate	Reportable
RBOB	Same as gasoline tax rate	yes
CBOB	Same as gasoline tax rate	yes

**Section 16-How does your state handle contaminated fuel?**

As per Virginia Code §58.1-2259 – it is refunded if it is not due to negligence.

**Section 17-Does your state allow bad debt credits?**

Yes - To Licensed Suppliers for licensed Distributors and Importers. To License Providers of Alternative Fuels for licensed Bulk Users and Retailers of Alternative Fuels

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Suppliers, Importer, Blender, Aviation Consumer, and Provider/Bulk User/Retailer of Alternative Fuels	20 <sup>th</sup> of second month following activity for all months except June. In June, the April and May activity is due on June 20 <sup>th</sup> and 30 <sup>th</sup> , respectively.	When report is due.
Terminal Operator, Motor Fuel Transporter, Distributor, and Fuel Alcohol Provider.	20 <sup>th</sup> of second month following activity for all months except June. In June, the April and May activity is due on June 20 <sup>th</sup> and 30 <sup>th</sup> , respectively.	Information returns only-No payment due.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Yes

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

12 midnight

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Next business day

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
All reports	\$50 for first violation; \$200 for second; \$500 for third violation; and \$1,000 for the fourth and subsequent violations.	10 percent of the tax due or \$50, whichever is greater

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is ethanol in Virginia however it is treated as gasoline because it is 85 percent denatured ethanol fuel and 15 percent gasoline.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Virginia requires transporters to file Transporters (TR) returns.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

On flash title transactions the persons causing the product to be imported into Virginia from a terminal located in another state must be license in Virginia as an importer or distributor. Persons exporting product under flash title transactions from a terminal in Virginia must be a license distributor or exporter. Taxes are remitted by the license supplier. However, if the supplier in the origin state is not license to collect and remit Virginia tax, the person causing the product to be imported must be a license Virginia importer and would be responsible for remittance of tax.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Tax is due to a license Supplier from a licensed distributor when the tax is due the

Commonwealth of Virginia.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

The fee is handled in the same manner as the tax. See above.

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

In Virginia, a regional sales tax is imposed on gasoline and diesel. The rate is set by legislators and it is imposed on each gallon of fuel sold by a distributor to retail dealers for retail sale or end user. It is collected on the 20<sup>th</sup> of the second subsequent month. In June only, activity for April is collected on June 20<sup>th</sup> and the activity for May is collected on the last business day in June.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

The amount of the tax security depends on the type of license you want to obtain. The following chart lists the amount for each license type.

AMOUNT	LICENSE TYPE
\$2 Million	Bonded Importer Refiner Supplier Terminal Operator
The average tax liability that you will incur in three months; not less than \$2,000 and not more than \$300,000.	Aviation Consumer Blender Bulk User of Alternative Fuel Distributor Fuel Alcohol Provider Occasional Importer Provider of Alternative Fuel Retailer of Alternative Fuel

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**  
**(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10:Stores Fuel at IRS Terminal (ExStar Report)

<b>Licenses Issued</b>	<b>Put a Check if Remits Tax</b>	<b>Applicable Activity Number(s)</b>
Terminal Operator		7
Supplier (SP,ES,PS)	X	1,2,3,4,5,8,9,10
Distributor		1,2,3,
Importer	X	1,3,4
Blender	X	8
Aviation Consumer	X	1,3
Fuel Alcohol Provider		1,3
Provider of Alternative Fuel	X	1,2,3,4
Motor Fuels Transporter		6
Bulk User of Alternative Fuels	X	
Exporter		2
Retailer of Alternative Fuels	X	4

**Who Must be Licensed**

The following chart lists the motor fuel activities of persons that **must** be licensed and the type of license the person must obtain.

**License Type**

**Fuel Activity**

Aviation Consumer	<p>A person who:</p> <ul style="list-style-type: none"> <li>• uses in excess of 100,000 gallons of aviation jet fuel in a fiscal year, and</li> <li>• holds a Virginia fuels tax license.</li> </ul>
Blender	A person who produces blended fuels outside the terminal transfer system.
Importer	<p>A person, other than a supplier, who imports motor fuel by any means of transfer outside the terminal transfer system. Bonded Importer classification applies if the fuel is imported from a state in which:</p> <ul style="list-style-type: none"> <li>• the seller is not required to collect motor fuel tax either at that state's tax rate or the tax rate of the destination state; or</li> <li>• the supplier of the fuel is not an elective supplier; or</li> <li>• the supplier of the fuel is not a permissive supplier.</li> </ul>
Bulk User of Alternative Fuels	<p>A person who:</p> <ul style="list-style-type: none"> <li>• maintains an alternative fuel storage facility, and</li> <li>• uses all or part of the fuel to operate highway vehicles.</li> </ul>
Elective Supplier	A person who is required to be licensed but who may elect to collect the tax on fuels that are removed at a terminal located in another state and has Virginia as its destination state.
Exporter	<p>Any person who obtains motor fuel in Virginia for sale or other distribution in another state, territory, or foreign country.</p> <ul style="list-style-type: none"> <li>• <b>Note:</b> Motor fuel delivered out of state by or for the seller is an export by the seller. Motor fuel delivered out of state by or for the purchaser is an export by the purchaser.</li> </ul>
Fuel Alcohol Provider	<p>A person who:</p> <ul style="list-style-type: none"> <li>• produces fuel alcohol, or</li> <li>• imports fuel alcohol outside the terminal transfer system.</li> </ul>
Motor Fuels Transporter	A person who transports motor fuel for-hire by means of a pipeline, tank wagon, transport truck, railroad tank car, or marine vessel.
Provider of Alternative Fuels	<p>A person who:</p> <ul style="list-style-type: none"> <li>• acquires alternative fuel for sale or delivery to a bulk user or retailer of alternative fuel; or</li> <li>• maintains storage facilities for alternative fuel which will be sold, all or in part, to someone other than a bulk user or retailer of alternative fuel to operate highway vehicles; or</li> <li>• sells alternative fuel and uses part of the fuel to operate highway vehicles by means of a fuels supply line from the cargo tank of a vehicle to the engine of the vehicle; or</li> <li>• imports alternative fuel into Virginia, by means other than the fuel supply tank of highway vehicles, for resale or use in his own highway vehicles.</li> </ul>
Refiner (Supplier)	A person who owns, operates, or otherwise controls a refinery.

Retailer of Alternative Fuels	A person who: <ul style="list-style-type: none"> <li>• maintains alternative fuel storage facilities, and</li> <li>• sells or dispenses the fuel at retail to be used to generate power to operate a highway vehicle.</li> </ul>
Supplier	A person who: <ul style="list-style-type: none"> <li>• is a position holder, or</li> <li>• receives motor fuels through a two-party exchange.</li> <li>• <b>Note:</b> Includes a licensed elective supplier and a licensed permissive supplier</li> </ul>
Terminal Operator	A person who owns, operates, or otherwise controls a terminal.

### **Who May Elect to be Licensed?**

The following lists the fuel activities of persons who may elect, but are not required, to be licensed and the type of license the person may obtain.

Distributor	A person who acquires motor fuels from a supplier or another distributor for subsequent resale.
Permissive Supplier	An out-of-state supplier who elects, but is not required, to have a supplier's license.

### **Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Virginia tax must be charged if seller can not charge destination state tax or if the purchaser is not properly licensed to export fuel from Virginia.

### **Section 32-If your state taxes at the rack, does your state require pre-collection election?**

VA is a destination state tax state. When product is removed from the rack the destination state tax or VA tax is collected. If destination state tax cannot be collected because of destination state laws, VA tax is collected.

### **Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

All returns are filed electronically in Virginia, to include original and amended returns. Virginia requires all incorrect entries to be removed using minuses and correct entries to be added.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes

**Section 35-How many days are allowed to report late loads?**

30 days

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Virginia Code §58.1-2275:

Each (i) person required or electing to be licensed under Article 2 (§ 58.1-2204 et seq.) of this chapter, (ii) distributor, retailer and bulk user not licensed under this chapter, and (iii) person required to be licensed under § 58.1-2244, shall keep and maintain all records pertaining to fuel received, produced, manufactured, refined, compounded, used, sold or delivered, together with delivery tickets, invoices, bills of lading, and such other pertinent records and papers as may be required by the Commissioner for the reasonable administration of this chapter. Such records shall be kept and maintained for a period to include the Department's current fiscal year and the previous three fiscal years.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Virginia Code §58.1-2226:

§ 58.1-2226. Exemptions from tax.

No tax shall be levied or collected pursuant to this chapter on:

1. Motor fuel sold and delivered to a governmental entity for the exclusive use by the governmental entity. This exemption shall not apply with respect to fuel sold or delivered to any person operating under contract with the governmental entity.
2. Motor fuel sold and delivered to a nonprofit charitable organization that is exempt from taxation under § 501(c)(3) of the Internal Revenue Code and which is organized and operated exclusively for the purpose of providing charitable, long-distance, advanced life-support, air transportation services using emergency medical services vehicles for low-income medical patients in the Commonwealth, for the exclusive use of such organization in the operation of an aircraft;
3. Bonded aviation jet fuel;
4. Dyed diesel fuel, except as provided in subdivision A 1 of § 58.1-2225;
5. Motor fuel removed, by transport truck or another means of transfer outside the terminal transfer system, from a terminal for export, if the supplier of the motor fuel collects tax on the fuel at the rate of the motor fuel's destination state; or

6. Heating oil, as defined in § 58.1-2201.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Four years

**Section 39-What is your statute of limitations to refund motor fuel tax?**

One year from date of the sale

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Amended returns may create credits that may be applied to other liabilities or refunded.

**Section 41- Does your state accept electronic BOLs?**

BOLs are not required to electronically file returns.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Templates will be provided based on request. Please send request to [VAETS\\_Support@dmv.virginia.gov](mailto:VAETS_Support@dmv.virginia.gov) .



# STATE OF WASHINGTON

## **Section 1-Contact Information**

**Agency:** Department of Licensing; Prorate & Fuel Tax Services

**Name:** Katherine Ataman

**Street Address:** P O BOX 9228 (Cannot receive mail at physical address)

**City, State Zip Code:** Olympia, WA 98507-9228

**Phone Number:** 360-701-1164

**Fax Number:** 360-570-7852

**E-mail Address:** kataman@dol.wa.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Revised Code of Washington (RCW) 82.38 and 82.42; Washington Administrative Code 308-77 and 308-78

## **Section 3-State Point of Taxation**

**Gasoline:** Tax at the Rack

**Diesel:** Tax at the Rack

**Aviation Fuel:** Distributor

**Jet Fuel:** Distributor

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver:** Received by a supplier in Washington State from an IRS Terminal. A licensed supplier or licensed distributor that imports fuel into Washington State. A licensed supplier or blender who produces fuel outside of the bulk transfer terminal system.

**Point of Taxation:** Removal from non-taxable storage and received in Washington State. Non-taxable storage are IRS registered terminals, refinery storage, pipelines, and marine vessels

(super tankers, barges, etc.). Tax is imposed upon importation into Washington, or production in Washington outside of the bulk transfer terminal system.

Statutory Reference: 82.38.020

### **Section 5-State Tax Rates**

**Gasoline:** 0.494

**Diesel:** 0.494

**Aviation Fuel:** 0.18

**Jet Fuel:** 0.18

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Washington calculates fuel tax based on billed gallons.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Please contact the Washington Department of Revenue for information regarding Hazardous Substance Fee and the Oil Spill fee.

### **Section 7-Rate Updates**

**Please list any rate updates for your state:** Aviation and Jet Fuel rate increased to .18 effective July 1, 2022.

### **Section 8-State Collection Allowance**

None

### **Section 9-State Diversion Requirements**

**Diversion Required:** None

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.** N/A

**What diversion registry program do you use?** N/A

**What products are subject to the diversion requirement?** N/A

**Diversion Requirements.**

The correct destination should be reported on the return. If the documents are requested, the correct destination should be indicated on the Bill of Lading.

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Supplier for most exemptions and the Customer for refunds of most fuel used for a non-taxable purpose.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

N/A

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load? N/A****Any Additional Comments?**

N/A

**Section 10-Alternative Fuels Incentives and Laws**

Washington is the proud home of the Puget Sound Clean Cities Coalition ([www.pugetsoundcleancities.org](http://www.pugetsoundcleancities.org)). Coordinator contact information is listed in Contact Us section.

**State Incentives****Alternative Fuel Vehicle (AFV) and Hybrid Electric Vehicle (HEV) Tax Exemption**

Beginning January 1, 2009, new passenger cars, light-duty trucks, and medium-duty passenger vehicles that are dedicated AFVs are exempt from the state sales and use tax. Qualified vehicles must operate exclusively on natural gas, propane, hydrogen, or electricity, or use at least one method of propulsion that is capable of being re-energized by an external source of electricity and are capable of traveling at least thirty miles using only battery power, meet the California motor vehicle emissions standards effective January 1, 2005, and comply with the rules of the Washington Department of Ecology. Additionally, new passenger cars, light-duty trucks, and medium-duty passenger vehicles that utilize hybrid electric technology and have a U.S. Environmental Protection Agency estimated highway fuel economy of at least 40 miles per gallon are exempt from state sales and use tax. (Reference [Revised Code of Washington](#) 82.08.809 and 82.08.813)

**Biofuels Production Tax Exemption**

Qualifying buildings, equipment, and land used in the manufacturing of alcohol fuel, biodiesel, or biodiesel feedstocks are also exempt from state and local property and leasehold taxes for a period of six years. Additionally, until July 1, 2009, a reduced Business and Occupation tax rate of 0.138% applies to persons engaged in manufacturing of alcohol fuel, biodiesel fuel, or biodiesel feedstock. (Reference [Revised Code of Washington](#) 82.29A.135, and 84.36.635)

**Alternative Fuel Vehicle (AFV) Annual Fee**

In order to encourage the use of nonpolluting fuels, owners of compressed natural gas and liquefied petroleum gas powered vehicles are required to pay an annual license fee, based on gross vehicle weight rating (GVWR), instead of motor fuel excise taxes. The fee is calculated as follows:

GVW	Fee
0- 6000 pounds (lbs.)	\$45
6,001 - 10,000 lbs.	\$45
10,001 - 18,000 lbs.	\$80
18,001 - 28,000 lbs.	\$110
28001 – 36,000	\$150
More than 36,000 lbs.	\$250

To determine the actual annual license fee imposed by this section for a registration year, the appropriate dollar amount given in the above schedule must be multiplied by the motor vehicle fuel tax rate in cents per gallon (as established by [Revised Code of Washington](#) 82.38.030) effective on July 1 of the preceding calendar year, and the resulting amount be divided by \$0.12. In addition, there is a \$5 handling fee for each license issued.

**Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

B100	Motor Fuel Taxability	Misc. Taxability	Ethanol	Motor Fuel Taxability	Misc. Taxability
\$0.494 gallon	B100 is taxable		\$0.494 gallon	Ethanol is taxable	

**Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

Biodiesel	Ethanol
B100 is treated like diesel fuel. The tax rate is \$0.494/gallon. Licensed Suppliers and Distributors can import into IRS approved terminals and defer the tax until the biodiesel is distributed in the state.	Ethanol is treated like gasoline. The tax rate is \$0.494/gallon. Licensed Suppliers and Distributors can import into IRS approved terminals and defer the tax until the ethanol is distributed in the state.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Paid through vehicle registration	
<b>E85</b>	Gasoline @ \$0.494	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	N/A	
<b>Gasoline Hybrid Vehicles</b>	Gasoline @ \$0.494	<b>Not Applicable</b>
<b>Hydrogen</b>	N/A	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Paid through vehicle registration	
<b>LPG (Liquefied Petroleum Gas)</b>	Paid through vehicle registration	
<b>Methanol or “M85”</b>	Gasoline @ \$0.494	<b>Not Applicable</b>
<b>Other</b>	gasoline or diesel @ \$0.494	<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>All Blendstocks</b>	<b>\$0.494</b>	<b>Yes</b>

**Section 16-How does your state handle contaminated fuel?**

A refund may be requested. The claimant must provide documents to verify the contamination. A review of this documentation is conducted before a refund is authorized.

**Section 17-Does your state allow bad debt credits?**

No.

**Section 18-Please provide the following information:**

<b>Name of Report</b>	<b>Due Date of Report</b>	<b>Due Date of Payment</b>
Motor fuel and Special fuel tax returns	25 <sup>th</sup> of the month following the period being reported	Paying by check, the 25 <sup>th</sup> of the month following the period being reported. Paying by Electronic Funds Transfer is due the 26 <sup>th</sup> of the month.
Aircraft tax returns	25 <sup>th</sup> of the month following the period being reported	25 <sup>th</sup> of the month following the period being reported.

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Washington considers the postmark date as timely filed.

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11:59 pm on the Due Date

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

For Aircraft Fuel – The excise tax is due on or before the twenty-fifth day of the month. If the due date falls on a weekend or holiday, it is due before the holiday or weekend.

For Motor and Special Fuels – A licensee shall file a tax report on or before the twenty-fifth day of the next succeeding calendar month following the period to which it relates. If the final filing date falls on a Saturday, Sunday, or legal holiday the next secular or business day shall be the final filing date.

If the tax is paid by electronic funds transfer, the tax shall be paid on or before the twenty-sixth calendar day of the month immediately following the reporting period. If the payment due date falls on a Saturday, Sunday, or legal holiday the next business day will be the payment date.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

<b>Name of Report</b>	<b>Report Penalties</b>	<b>Payment Penalties</b>
Motor Fuel Tax	N/A	10%
Special Fuel Tax	N/A	10%
Aircraft Tax	N/A	10%

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

All ethanol blends are taxed as gasoline at \$0.494 per gallon.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

At this time, only railroads are required to report. They are called "Fuel Carriers." Each Fuel Carrier must report fuel movements each month on a report that is due on the 25<sup>th</sup>.

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

If the sale is between:

- licensed fuel suppliers and title changes at the terminal, the sale is non-taxed.
- a licensed supplier (seller) and a distributor (purchaser), the sale is taxed because distributors cannot hold tax-exempt fuel in a terminal.
- A licensed distributor (seller) and a supplier (purchaser), and the title changes at the terminal, the sale is non-taxed.
- distributors, the sale is taxed.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

In Washington, the fuel tax is due from the first taxable transaction at the rack or from importation, in most circumstances this will be the Fuel Supplier or Fuel Distributor. Our statute does not allow tax deferral.

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

N/A

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

Generally only fuel tax applies to motor fuel and clear special fuel. However, if a refund is claimed because the fuel was used for an off-road purpose, sales tax is applied. Dyed special

fuel is exempt fuel tax, but sales tax applies. Since this tax is collected by the Department of Revenue, any questions about the application of sales tax should be directed to that department.

### **Section 29-What are your bonding requirements for your motor fuel license(s)?**

(1) A license may not be issued or continued in force unless a bond is provided to secure payment of all taxes, interest, and penalties. This requirement may be waived for licensed fuel distributors who, upon determination by the department, have sufficient resources, assets, other financial instruments, or other means to adequately make payments on monthly fuel tax payments, penalties, and interest.

(2) The department may require a licensee to post a bond if the department determines a bond is required to protect the interests of the state.

(3) The total amount of the bond or bonds is three times the estimated monthly fuel tax liability. The total bonding amount may never be less than five thousand dollars nor more than one hundred thousand dollars.

(4) In lieu of a bond, a licensee may deposit with the state treasurer, a like amount of money of the United States, or bonds or other obligations of the United States, the state, or any county of the state, of a market value not less than the amount of the required bond.

(5) The department may require a licensee to increase the bond amount or to deposit additional securities as described in this section if the security of the bond or the market value of the securities becomes impaired or inadequate.

(6) Any surety on a bond furnished by a licensee must be released and discharged from any liability accruing on such bond after the expiration of forty-five days from the date the surety provided written notification to the department. The provisions of this section do not relieve, release, or discharge the surety from any liability accrued or which will accrue before the expiration of the forty-five day period. The department must promptly notify the licensee who furnished the bond, and unless the licensee, on or before the expiration of the forty-five day period, files a new bond the department must cancel the license.

### **Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.** **(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

#### **Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel



- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Terminal Operator		7,10 – Not ExStar
Supplier	X	1,2,3,4,5,6,8,10
Distributor	X	1,2,3,4,6,8
Distributor-Aircraft	X	1,2,3,4,5,6,10
Blender	X	2,3,4,6,8,9 if biodiesel

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns may be submitted either electronically or by paper, both are not required.

When amending a return, Washington requires resubmission of the entire return.

**Section 34-Does your state allow credit and rebills on the current month report?**

Washington allows credit and rebills.

**Section 35-How many days are allowed to report late loads?**

There is no grace period.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Please see Washington Administrative Code 308-77-099 (2):

## **WAC 308-77-099**

### **Invoices issued by licensees.**

- (1) **When is an invoice issued?** Every licensee must issue an invoice at the time of sale.
- (2) **What information is required on an invoice?**
  - (a) The name and address of the seller;
  - (b) The name and address of the purchaser;
  - (c) The date of delivery month, day, and year;
  - (d) The location of the point of shipment. Alphanumeric codes are allowed if the definition keys are provided to the department;
  - (e) The physical address of the fuel delivery or exchange, if different than the purchaser address, including the name of the state, Canadian Province, or foreign country. Alphanumeric codes are allowed if the definition keys are provided to the department;
  - (f) In the case of a delivery into a federally recognized Indian reservation or onto Indian country, the invoice must identify the state, U.S. possession, or Canadian Province where the delivery took place;
  - (g) Name of carrier transporting fuel;
  - (h) Name of product sold;
  - (i) The number of U.S. gallons of product sold in billed gallons;
  - (j) The price per gallon and total amount charged; and
  - (k) A statement on the invoice indicating if the fuel has been sold without the Washington state fuel tax.

### **Section 37-What entities are exempt / excluded in your state?**

#### **Please cite the statutory reference.**

#### **Special Fuel**

- a) Sales to the state of Washington, any county, or any municipality when the fuel is used for street and highway construction and maintenance purposes in motor vehicles owned and operated by the state, county, or municipality;
- (b) Sales for use in publicly owned firefighting equipment;
- (c) Sales to the United States government;
- (d) Sales to a private, nonprofit transportation provider regulated under chapter [81.66](#) RCW when the fuel is for use in providing transportation services for persons with special transportation needs;
- (e) Sales of waste vegetable oil as defined under RCW [82.08.0205](#), if the oil is used to manufacture biodiesel;
- (f)(i) Sales to privately owned urban passenger transportation systems and carriers as defined in chapters [81.68](#) and [81.70](#) RCW. No exemption or refund may be granted for special fuel used by any privately owned urban transportation vehicle, or vehicle operated pursuant to chapters [81.68](#) and [81.70](#) RCW, on any trip where any portion of the trip is more than twenty-five road miles beyond the corporate limits of the county in which the trip originated.

## **Motor Fuel**

(a) Sales to the armed forces of the United States or to the national guard when the fuel is used exclusively in ships or for export from this state;

(b) Sales to foreign diplomatic and consular missions, if the foreign government represented grants an equivalent exemption to missions and personnel of the United States performing similar services in the foreign country; and

(c) Sales of fuel used exclusively for racing that is not legally allowed on the public highways of this state.

*Please cite the statutory reference – RCW 82.38.080*

### **Section 38-What is your statute of limitations to file amendments to remit additional tax?**

Five years

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

A licensee may receive refunds up to five years from the due date of the tax return. However, an unlicensed refund claimant must file within 13 months from the date of fuel purchase in order to qualify for a refund of fuel tax for fuel used in a non-taxable manner.

### **Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both, depending on if an entity is licensed or unlicensed with the Department. If a company is licensed, they will file for a refund with an amended return, and if a company is unlicensed, they will file a claim for refund from our unlicensed refund unit.

### **Section 41- Does your state accept electronic BOLs?**

All BOL's should meet the data requirements.

### **Section 42- Rail Car**

#### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Washington requires the date the fuel is imported into our state as the date on the Receipt schedules. The delivery date or the date the fuel is exported out of Washington is required as the date on the Disbursement schedules.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

Forms along with instructions can be found with the following link:

[Search for tax return | Washington State Department of Licensing](#)

Templates for use in reporting individual transactions can be found at:

[Taxpayer Access Point \(TAP\) | Washington State Department of Licensing](#)

# STATE OF WEST VIRGINIA

## **Section 1-Contact Information**

**Agency:** WV Tax Division

**Name:** Amy Harvey

**Street Address:** 1001 Lee Street E

**City, State, Zip Code:** Charleston WV 25301

**Phone Number:** 304-558-0685

**Fax Number:** 304-558-1989

**E-mail Address:** Amy.M.Harvey@wv.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

§11-14C "West Virginia Motor Fuels Excise Tax Act"

## **Section 3-State Point of Taxation**

**Gasoline:** On removal from terminal rack

**Diesel:** On removal from terminal rack

**Aviation Fuel:** On removal from terminal rack

**Jet Fuel:** On removal from terminal rack

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

**First Receiver-:** (73) "Receive" means acquisition of ownership or possession of motor fuel.

**Point of Taxation:** §11-14C-6 The tax levied pursuant imposed at the time motor fuel is imported into this state, other than by a bulk transfer, is measured by invoiced gallons received outside this state at a refinery, terminal, or bulk plant for delivery to a destination in this state and is payable by the person importing the motor fuel unless otherwise specified in this section.

## **Section 5-State Tax Rates**

**Gasoline:** \$0.357 cents/gallon, includes variable rate.

**Diesel:** \$0.357 cents/gallon, includes variable rate.

**Aviation Fuel:** \$0.152 cents/gallon, variable rate only.

**Jet Fuel:** \$0.152 cents/gallon, variable rate only.

**Propane:** \$0.045 cents/gallon, variable rate only (full year rate) --off road rate.  
\$0.195 cents/gallon, combined rate (on road)

**CNG:** \$0.248 cents/gallon, includes variable rate (full year rate)

**LNG:** \$0.159 cents/gallon, includes variable rate (full year rate)

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

West Virginia calculates tax based upon the Invoiced gallons indicated on the applicable return.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

WV charges no additional fees on reportable products.

## **Section 7-Rate Updates**

**Please list any rate updates for your state:**

The [Administrative Notice 2023-08](#) decreased the Motor Fuel tax rates as follows:

Motor Fuel	2023	2024
Conventional Motor Fuels*	\$0.372 per gallon	\$0.357 per gallon
Compressed Natural Gas (CNG)	\$2.239 per 1,000 cubic feet	\$1.954 per 1,000 cubic feet
Compressed Natural Gas (CNG) - GGE Measure	\$0.284 per 126.67 cubic feet	\$0.248 per 126.67 cubic feet
Liquefied Natural Gas (LNG)	\$0.183 per gallon	\$0.159 per gallon
Liquefied Petroleum Gas (LPG or Propane)	\$0.210 per gallon	\$0.195 per gallon
Field Gas	Exempt per W.Va. Code §11-14C-9a	

## **Section 8-State Collection Allowance**

Suppliers or permissive suppliers can deduct one tenth of one percent of total tax due, not to exceed five thousand dollars per month.

## **Section 9-State Diversion Requirements**

**Diversion Required: Yes**

**If Diversion is required, please state Statute and/or Rule required obtaining a Diversion Number. §11-14C-34**

**What diversion registry program do you use?** FuelTrac.US

**What products are subject to the diversion requirement?**  
All taxable products

### **Diversion Requirements.**

Purchaser shall be liable for any tax due as result of the purchaser's diversion of fuel from the represented destination state. The shipping document must contain written proof of change in destination state and the confirmation number or diversion number. §11-14C-34

**What party should apply for the refund if applicable? (Supplier, customer, etc)**  
Customer may claim refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**  
No, the distributor gets credit for diversion from WV. We do not want the Supplier or Permissive supplier to rebill.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** No

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

West Virginia is the proud home of West Virginia Open for Business Program (<http://www.wvdo.org>). Coordinator contact information is listed in the Points of Contact section.

### **State Incentives**

#### **Alternative Fuel School Bus Incentive**

Any county that uses an acceptable alternative fuel for the operation of all or any portion of its school bus system is eligible for a reimbursement from the West Virginia Department of Education of up to 95% of the county's transportation cost for maintenance, operation, and

related costs incurred by the use of the alternatively fueled school buses. A county qualifying for this allowance for alternative fuel use must submit a plan regarding the intended future use of alternatively fueled school buses to the Department of Education. (Reference [West Virginia Code 18-9A-7](#))

The FHWA designated alternative fuel corridors to support installation of EV charging, hydrogen, propane, and natural gas fueling infrastructure at strategic locations along major national highways. WV has several designated [Alternative Fuel Corridors \(wv.gov\)](#)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.357/gallon	B100 is taxable	None	\$0.357/gallon	E100	None

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$0.357/gallon.	The tax rate is \$0.357/gallon. Blender's license is required when blending or a Distributors License.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or "M85", and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Yes	<b>Price/gallon conv. fuel/126.67 CF of CNG GGE x 1,000 CF</b>
<b>E85</b>	Yes	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	No	<b>Not Applicable</b>
<b>Gasoline Hybrid Vehicles</b>	Yes	<b>Not Applicable</b>
<b>Hydrogen</b>	No	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Yes	<b>Price/gallon conv. fuel/1.554 gallons LNG GGE</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Yes	<b>Price/gallon conv. fuel/1.367gallons of LPG GGE</b>
<b>Methanol or "M85"</b>	Yes	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

All references to cubic feet are based on measurements at standard pressure and temperature of 14.73 pounds of pressure per square inch at 60 degrees Fahrenheit.



**Section 14-Does your state charge a PERC (Propane Education Research Council Fee on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

"Gasoline blend stocks" includes any petroleum product component of gasoline, such as naphtha, reformat, or toluene, listed in Treas. Reg. §48.4081-1(c) (3) that can be blended for use in a motor fuel. The term does not include any substance that will be ultimately used for consumer nonmotor fuel use and is sold or removed in drum quantities of fifty-five gallons or less at the time of the removal or sale.

Blendstock	Tax Rate	Reportable
Anything considered a "Motor Fuel"	Current rate	Yes

**Section 16-How does your state handle contaminated fuel?**

Casualty loss refund request

**Section 17-Does your state allow bad debt credits?**

Default deductions for Suppliers: A supplier or permissive supplier is not liable for the tax a licensee owes but fails to pay. If a licensee pays to a supplier or permissive supplier the tax owed, but the payment occurs after the supplier or permissive supplier has deducted the amount of the tax on a return, the supplier or permissive supplier shall remit the payment to the commissioner with the next monthly return filed after receipt of the tax.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
Supplier Report	Last day of the following month	Last day of the following month
Importer Report	Last day of the following month	Last day of the following month
Exporter Report	Last day of the following month	Last day of the following month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11:59 pm on due date)**

Any time on or before 11:59 PM EST of due date.

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

The tax imposed on sales of motor fuel shall be paid by each taxpayer on or before the last day of the calendar month. If this day falls on a weekend or holiday it is due the first business day following that weekend or holiday.

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

In addition to interest, a penalty of 5% per month (not to exceed 25%) is imposed if the return is late. Even if no tax is due, a late filing penalty of \$50 per month for each month or part of a month after the due date must be remitted.

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated as gasohol. Gasohol/Ethanol Blends are from E10-E99.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes, WV requires a monthly Transporter Report to be filed by anyone that is licensed as a Transporter in WV.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

The Supplier will record the original purchaser of the fuel at the rack. If it is sold to another company at the rack and imported, the Importer will record the Supplier and the company from which the fuel was purchased on their Importer report for that period for verification of the tax remittal.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

CHAPTER 11. TAXATION.

## ARTICLE 14C. MOTOR FUEL EXCISE TAX.

### **§11-14C-20. Remittance of tax to supplier or permissive supplier.**

(a) Each licensed distributor and licensed importer shall remit to the supplier or permissive supplier, as applicable, of the motor fuel the tax levied by section five of this article and due on motor fuel removed at a terminal rack: Provided, That at the election of a licensed distributor or licensed importer, the supplier or permissive supplier shall not require the licensed distributor or licensed importer to pay tax levied by section five of this article until two days before the date the supplier or permissive supplier is required to pay the tax to this state: Provided, however, That an election under this subsection is subject to the condition that remittances by the licensed distributor or licensed importer of all tax due to the supplier or permissive supplier shall be paid by electronic funds transfer two days before the date of the remittance by the supplier or permissive supplier to the commissioner. An election under this subsection may be terminated by the supplier or permissive supplier if the licensed distributor or licensed importer does not make timely payments to the supplier or permissive supplier as required by this subsection.

### **Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

WV currently has no Environmental or Inspection fees.

### **Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? If so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

WV taxes gasoline, clear diesel, and dyed diesel. There is a flat rate component and a variable rate component. The Motor Fuel rates traditionally change on January 1<sup>st</sup> of the calendar year, with exception to 2017 when a rate change occurred mid-year. Tax is imposed on volume and is collected on the last day of the following month.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

License	Cash or Continuous Surety Bond Amount	
	Minimum – the greater of:	Maximum
Supplier, Permissive Supplier, Terminal Operator	\$100,000.00 or 3 month's tax.	\$2 million
Importer, not Supplier, not bulk, not Permissive Supplier, no WV tax collected	\$100,000.00 or 3 month's tax.	\$2 million
Importer, supplier, bulk, permissive supplier, WV tax collected	\$2,000.00 or 3 month's tax.	\$300,000
Exporter	\$2,000.00 or 3 month's tax.	\$300,000
Blender	\$2,000.00 or 3 month's tax.	\$300,000
Distributor	\$2,000.00 or 3 month's tax.	\$300,000
Transporter	No bond	
Alternative fuel bulk end-user, provider of alternative fuel, a retailer of alternative fuel.	No bond; bond may be required in case of failure to comply.	
Producer or manufacturer	No bond; bond may be required in case of failure to comply.	
Alternative Bond		
Proof of Financial Responsibility:	Proof of \$5 million net worth.	
	Proof of \$2.5 million net worth reduces bond 50%.	
	Proof of \$1.25 million net worth reduced bond 25%.	
In lieu of cash bond, continuous surety bond, or proof of financial responsibility, applicant with a good filing record of 18 months shall be granted a waiver upon application and approval. Go to <a href="http://tax.wv.gov">tax.wv.gov</a> and complete form GSR-01 – Request for Statement of Good Standing. If a licensee, who has been granted a waiver, violates any provision of WV Code '11-14C-1 et seq., the licensee shall file the applicable bond.		

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10. Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier/Permissive Supplier	X	5,7,8,9,10
Importer	X	1
Exporter	Upon Diversion into WV	2

Distributor/Alternative Bulk End User/Provider of Alternative Fuel	Upon previously-untaxed fuel or exempt fuel used on-road	3
Motor Fuel Transporter		6
Motor Fuel Blender	X	8
Producer/Manufacturer	X	8, 9
Terminal Operator		7

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

Import- WV tax

Export- The destination State's tax laws govern the collection.

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

All taxes are imposed upon the ultimate consumer but are pre-collected as prescribed in this article. The levies and assessments imposed on licensees as provided in this article are imposed on them as agents of this state for the pre-collection of the tax. The taxes levied under this article shall be collected and paid at those times, in the manner, and by those persons specified in this article.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

Amended returns may be filed electronically or on paper. The entire return must be amended to include or delete the amended information.

**Section 34-Does your state credit and rebills on the current month report?**

No

**Section 35-How many days are allowed to report late loads?**

There is no cut off on filing late, however there will be penalties and interest applied.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

*§11-14C-34. Shipping documents; transportation of motor fuel; civil penalty.*

(a) A person shall not transport motor fuel loaded at a terminal rack unless the person has a shipping document, that complies with this section. A terminal operator shall give a shipping document to the person who operates the means of conveyance into which motor fuel is loaded at the terminal rack.

(b) The shipping document issued by the terminal operator shall contain the following information and any other information required by the commissioner:

(1) Identification, including address, of the terminal or bulk plant from which the motor fuel was received;

(2) Date the motor fuel was loaded;

(3) Invoiced gallons loaded;

(4) Destination state of the motor fuel as represented by the purchaser of the motor fuel or the purchaser's agent;

(5) In the case of aviation jet fuel, the shipping document shall be marked with the phrase "Aviation Jet Fuel, Not for On-road Use" or a similar phrase;

(6) In the case of dyed diesel fuel, the shipping document shall be marked with the phrase "Dyed Diesel Fuel, Nontaxable Use Only, Penalty for Taxable Use" or a similar phrase; and

(7) If the document is issued by a terminal operator, the invoiced gallons loaded and a statement indicating the name of the supplier that is responsible for the tax due on the motor fuel.

(c) A terminal operator or bulk plant operator may rely on the representation made by the purchaser of motor fuel or the purchaser's agent concerning the destination state of the motor fuel. In the event that either the terminal operator, purchaser or transporter determines prior to the shipment of motor fuel leaving the terminal that the destination state indicated on the shipping document is incorrect, the diversion procedure provided in subdivision (3), subsection.

(d) of this section shall be used to obtain authorization to deliver the motor fuel to a different state. A purchaser is liable for any tax due as a result of the purchaser's diversion of motor fuel from the represented destination state.

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

*§11-14C-9. Exemptions from tax; claiming refunds of tax.*

WV currently has no entities exempt from Motor Fuel tax. A Motor Fuel refund to eligible Federal, County and Local Government as well as non-government entities may be issued upon application.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

There are no statutes limiting the amount of time Motor Fuel amended returns can be filed to remit additional tax.

### **Section 39-What is your statute of limitations to refund motor fuel tax?**

Amended returns for refund must be submitted within three years of the current filing period.

### **Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both. WV Motor Fuel license holders may request a refund of tax-paid on an amended applicable Motor Fuel return. Eligible Government and Non-government entities have a specific Motor Fuel Refund form in which to request their claims.

,

### **Section 41- Does your state accept electronic BOLs?**

If the elements §11-14C-34. *Shipping documents; transportation of motor fuel*; and the following provisions of that section can be met:

(e) The person to whom motor fuel is delivered by any means of conveyance shall not accept delivery of the motor fuel if the destination state shown on the shipping document for the motor fuel is a state other than West Virginia: Provided, That delivery may be accepted if the destination state is other than West Virginia if the document contains a diversion number authorized by the commissioner's designated entity. The person to whom the motor fuel is delivered shall examine the shipping document to determine that West Virginia is the destination state and shall retain a copy of the shipping document: (1) At the place of business where the motor fuel was delivered for ninety days following the date of delivery; and (2) at the place or another place for at least three years following the date of delivery. The person who accepts delivery of motor fuel in violation of this subsection and any person liable for the tax on the motor fuel pursuant to section five of this article is jointly and severally liable for any tax due on the motor fuel.

### **Section 42- Rail Car**

#### **When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

For Federal reporting purposes, we require all WV origin loads to be reported in the month of sale (BOL date). On import, if the delivery date falls in a different month, we will accept the delivery date if the load was correctly registered on Fueltrac.US.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

All tax return information can be found on the WV Tax Division [website](#) including paper forms and links to the online filing portal [MyTaxes](#).

Motor Fuel Import Spreadsheet templates can be found on each return in MyTaxes but can be requested from the Fuel Tax Supervisor Amy Harvey at [amy.m.harvey@wv.gov](mailto:amy.m.harvey@wv.gov).



# STATE OF WISCONSIN

## **Section 1-Contact Information**

**Agency:** Wisconsin Department of Revenue

**Name:** Sue Ann Nelson

**Street Address:** 2135 Rimrock Road

**City, State Zip Code:** Madison, WI 53713

**Phone Number:** 608 261-8985

**Fax Number:** 608-261-7049

**E-mail Address:** [sue.nelson@wisconsin.gov](mailto:sue.nelson@wisconsin.gov)

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

- Wisconsin Statutes Chapter [78](#) & [168](#)
- Wisconsin Administrative Code Chapter [Tax 4](#)

## **Section 3-State Point of Taxation**

**Gasoline:** Position Holder or Exchange Receiver at the Rack.

**Diesel:** Position Holder or Exchange Receiver at the Rack.

**Aviation Fuel:** First sale unless sold to another Wisconsin General Aviation Fuel Licensee or to an Air Carrier Company.

**Jet Fuel:** First sale unless sold to another Wisconsin General Aviation Fuel Licensee or to an Air Carrier Company.

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

*Point of Taxation:* When received by a supplier (sec. [78.01](#), Wis. Stats.)

*First Receiver:* Motor fuel received is described in sec. [78.07](#), Wis. Stats.

**78.07 Motor vehicle fuel received.**

(1) Except as provided in subs. (1a) and (3), motor vehicle fuel that is produced, refined, blended or manufactured, or imported for manufacturing, by any person at a refinery, marine terminal, pipeline terminal, pipeline tank farm or place of manufacture is received by a supplier when the motor vehicle fuel is removed from a refinery, marine terminal, pipeline terminal, pipeline tank farm or place of manufacture and placed in tank cars, tank trucks, tank wagons or other types of transportation equipment, containers or facilities at such refinery, marine terminal, pipeline terminal, pipeline tank farm or place of manufacture or when the motor vehicle fuel is placed in any tank or other container from which sales or deliveries not involving transportation of the motor vehicle fuel are made directly.

(1a) Motor vehicle fuel shipped by pipeline spur to an airport hydrant system is received when the motor vehicle fuel is received from the main pipeline into the initial or primary storage facility or holding terminal by the owner of the storage facility or holding terminal.

(3) Except as provided in subs. (1) and (1a), motor vehicle fuel imported is received at the time and place of unloading by the person for whose account that shipment or delivery is made.

(4) Any product that is not motor vehicle fuel and that is blended as a component part of motor vehicle fuel other than at a refinery, marine terminal, pipe line terminal, pipe line tank farm or place of manufacture is received by such person who is the owner of that product at the time and place the blending is completed.

(5) Renewable fuel exempt under s. 78.01 (2n) from the tax under s. 78.01 (1) is not received for the purposes of this section.

### **Section 5-State Tax Rates**

**Gasoline:** 30.9 cents per gallon.

**Diesel:** 30.9 cents per gallon.

**Aviation Fuel:** 6 cents per gallon.

**Jet Fuel:** 6 cents per gallon.

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Gross gallons

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

Petroleum Inspection Fee – 2 cents per gallon on all petroleum products, received by a supplier for sale in Wisconsin, or for sale for export to Wisconsin (sec. 168.12(1), Wis. Stats.)

### **Section 7-Rate Updates**

**Please list any rate updates for your state:**

None since 4/1/2006 and none scheduled.

### **Section 8-State Collection Allowance**

Licensed motor vehicle fuel suppliers may deduct an allowance of 1.35% when remitting the fuel tax on gasoline to the department [[sec. 78.12\(4\)\(a\)](#), Wis. Stats.]. Of the 1.35% allowance, 1.25% must be passed on by a supplier to a wholesale distributor when the distributor pays the gasoline tax to the supplier. A **wholesale distributor** is a person who acquires motor vehicle fuel from a licensed supplier or from another wholesale distributor for subsequent sale at wholesale in Wisconsin. *The allowance does not pertain to diesel fuel or the petroleum inspection fee.*

### **Section 9-State Diversion Requirements**

**Diversion Required**

Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number. Wis. Adm. Code Tax 4.10.**

**What diversion registry program do you use?** FuelTrac

**What products are subject to the diversion requirement?**

All taxable products

**Diversion Requirements.**

A diversion number must be obtained if the destination is incorrect and the customer is liable for payment of taxes to the respective states.

**What party should apply for the refund if applicable? (Supplier, customer, etc.)**

Customer should obtain refund.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load?**

Must pay based on original Bill of Lading. Should not credit/rebill.

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** No

**Any Additional Comments?**

## **Section 10-Alternative Fuels Incentives and Laws**

### **State Incentives**

#### **Renewable Fuel Producer Excise Tax and Inspection Exemption**

The first 1,000 gallons of renewable fuel an individual produces each year are exempt from the motor vehicle fuel excise tax, the petroleum inspection fee, and any petroleum inspection requirements not required under federal law. These exemptions only apply if the fuel is used in the individual's personal vehicle and is not sold. An individual may also produce renewable fuel for personal use without a business tax registration certificate or a motor vehicle fuel tax license. (secs. 78.01(2n) and 168.05(6). Wis. Stats.)

#### **Alternative Fuel Tax Refund for Taxis**

A person using alternative fuel to operate a taxi used to transport passengers may be reimbursed for the paid amount of the Wisconsin state fuel tax. Refund claims must be filed within one year of the date the fuel is purchased and must be for a minimum 100 gallons of alternative fuel. (sec. 78.75(1m)(a)1., Wis. Stats.)

#### **Alternative Fuel Tax Exemption**

No county, city, village, town, or other political subdivision may levy or collect any excise, license, privilege, or occupational tax on motor vehicle fuel or alternative fuels, or upon the purchase, sale, handling, or consumption of motor vehicle fuel or alternative fuels. (sec. 78.82, Wis. Stats.)

#### **Idle Reduction Weight Exemption**

Any vehicle or combination of vehicles equipped with fully functional idle reduction technology may exceed the state's gross and axle weight limits by up to 550 pounds to compensate for the additional weight of the idle reduction technology. To qualify the vehicle operator must be able to prove the weight of the idle reduction technology with written certification and demonstrate that the idle reduction technology is fully functional at all times.

NGVs may exceed the weight limits by an amount equal to the difference of the weight of the natural gas tank and fueling system and the weight of a comparable diesel tank and fueling system or by up to 2,000 lbs., whichever is less.

(sec. 348.15(3)(f), Wis. Stats.)

#### **Biodiesel Fuel Use Incentive for Schools**

The Wisconsin Department of Public Instruction (DPI) may provide financial aid to school districts that use biodiesel fuel to operate school buses to cover the incremental cost of purchasing biodiesel as compared to the cost of petroleum diesel fuel. If, in any fiscal year, insufficient funds are available to provide school districts with the full amount of reimbursement for which a school district qualifies, DPI will prorate the available funds among the entitled school districts on a per pupil basis. (sec. 121.575, Wis. Stats.)

### **Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.309 gallon	B100 is taxable	Subject to the Inspection Fee	\$0.309/gallon	Ethanol is taxable	Subject to the Inspection Fee

### **Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel. The tax rate is \$0.309/gallon.	Ethanol is treated like gasoline. The tax rate is \$0.309/gallon. Tax is due when shipped into Wisconsin or at the rack.

### **Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	\$ 0.247 per gallon	
<b>E85</b>	\$0.309 + inspection fee	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>		
<b>Gasoline Hybrid Vehicles</b>		<b>Not Applicable</b>
<b>Hydrogen</b>		<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	\$0.197 per gallon	
<b>LPG (Liquefied Petroleum Gas)</b>	\$0.226 per gallon	
<b>Methanol or “M85”</b>	\$0.309 + inspection fee	<b>Not Applicable</b>
<b>Other</b>	\$0.309 + inspection fee	<b>Not Applicable</b>

#### **Recent Legislation**

None.

### **Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No.

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

[https://www.revenue.wi.gov/eserv/motorfuel/MVF\\_Product\\_Codes.pdf](https://www.revenue.wi.gov/eserv/motorfuel/MVF_Product_Codes.pdf)

Blendstock	Tax Rate	Reportable

**Section 16-How does your state handle contaminated fuel?**

Refund request and backup information sent to:  
Wisconsin Department of Revenue  
PO Box 8900  
Madison WI 53708-8900

**Section 17-Does your state allow bad debt credits?**

Yes. This can either be taken as a schedule 10E with the suppliers return or a separate refund request filed on form MF-016, *Distributor Claim for Tax Refund Uncollectible Wisconsin Motor Vehicle Fuel Taxes*, found at <http://www.revenue.wi.gov/forms/excise/index-f.html>.

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
MF-002, <i>Wisconsin Combined Monthly Fuel Summary Report</i>	Reports are due on the last day of the month following the month covered by the report	Payment is due 15 days after the close of the month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked by the due date

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

Received by 11:59PM on the due date

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Next business day

**Section 22-What is your penalties for late filing report(s) and payment(s)?**

**Late-filed reports** are subject to the following charges:

- Late-filing fee - \$10 ([sec. 78.68\(2\)](#), Wis. Stats.)
- Delinquent interest - 1.5% per month ([sec. 78.68\(2\)](#), Wis. Stats.)
- Late-filing penalty - 5% per month, maximum 25% ([sec. 78.68\(4\)](#), Wis. Stats.)

*There are no extensions of time granted if you are unable to file a motor vehicle fuel tax report and pay any amount owing by the due date.*

Name of Report	Report Penalties	Payment Penalties

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

E85 is treated the same as gasoline. All blends to be reported.

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes. All persons registered with the Wisconsin Department of Revenue who transport motor vehicle fuel, general aviation fuel, or alternate fuels in Wisconsin are required to complete the "Carrier Report" portion of Form MF-002, *Wisconsin Combined Monthly Fuel Summary Report*.

**Section 25-(Tax at the rack states or first receiver states only) How does your state handle flash title transactions?**

Supplier shown on Bill of Lading is responsible for tax payment.

**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier?**  
**Please provide the Statute that supports that deferral.**

A wholesale distributor has the option to delay paying the Wisconsin motor vehicle fuel tax to a licensed supplier until the date the fuel tax is due to the Wisconsin Department of Revenue by the supplier (the 15<sup>th</sup> day after the close of the month the wholesaler receives the fuel). The following conditions apply:

1. Delayed tax payments must be made by EFT
2. Licensed suppliers must notify the Wisconsin Department of Revenue of wholesale distributors that elect delayed fuel tax payments
3. Licensed suppliers can terminate the wholesale distributor delayed payment option if such payments are not made when due

(Section 78.12 (5), Wis. Stats.)

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

A wholesale distributor has the option to delay paying the Wisconsin petroleum inspection fee to a licensed supplier until the date the fee is due to the Wisconsin Department of Revenue by the supplier (the 15<sup>th</sup> day after the close of the month the wholesaler receives the fuel). The following conditions apply:

1. Delayed fee payments must be made by EFT
2. Licensed suppliers must notify the Wisconsin Department of Revenue of wholesale distributors that elect delayed fee payments
3. Licensed suppliers can terminate the wholesale distributor delayed payment option if such payments are not made when due

(Section 168.125, Wis. Stats.)

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No sales tax on fuel that is subject to the motor fuel tax (sec. 77.54(11), Wis. Stats.). Fuel not subject to motor fuel tax is subject to sales/use tax unless an exemption applies.

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

Security may be required. The amount in security cannot exceed three times a licensee's average monthly tax liability. Acceptable types of security include bonds and cash. (sec. Tax 4.54, Wis. Admin. Code)



**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license.**

(Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

**Examples:**

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)	Activity Description
Supplier	X	1, 2, 3, 4 ,8, 9	1. Import
Terminal Operator		10	2. Export
Distributor	X	1, 2, 3, 4, 5, 9	3. Sell at Wholesale
Exporter		2	4. Sell at Retail

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No.

**Section 32- If your state taxes at the rack, does you state require pre-collection election?**

No.

**Section 33-How are amended returns filed in your State electronically, by paper, or both? When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

**Electronically.** Only the information that has changed except Form MF-101M and Form MF-017

which must include all information including unchanged items.

**Section 34-Does your state allow credit and rebills on the current month report?**

Yes.

**Section 35-How many days are allowed to report late loads?**

There is no statute of limitations to file amendments to remit additional tax. Refund claims must generally be made within four years of the original due date of the return.

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

Each shipment, transfer, purchase or sale of a petroleum product which is reportable to the department shall bear a "document number." The assignment of a document number shall originate with and be assigned by the refiner, terminal operator or place of manufacture where the fuel is loaded. All subsequent transactions, invoices and reports regarding each respective shipment shall use and make reference to this number. On all railway tank car shipments the tank car initials and number shall become the document number. On all truck transport shipments the manifest number shall become the document number. On all other types of shipments, which do not originate at a refinery, terminal or place of manufacture, the shipper shall assign the invoice number as the document number. An invoice number may not be assigned by a shipper as the document number in any case where tank car initials and number or a truck-transport manifest number is involved.

Invoices must comply with the Wisconsin law and administrative rules. (See secs. 78.20 (Retailer Refunds) and 78.75 (Taxicab & Off-Road Refunds), Wis. Stats., for additional information regarding motor fuel refunds). Invoices which accompany a refund claim must contain the following information: 1. Date of sale 2. Name and address of buyer 3. Name and address of seller 4. Number of gallons purchased 5. Type of fuel 6. Purchase price 7. Amount of Wisconsin fuel tax paid (this must be shown separately).

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

Section 78.01, Wis. Stats., indicates the following sales are exempt from the motor vehicle fuel tax: a. Gasoline and undyed diesel fuel sold to the United States government or its agencies. b. Gasoline sold for off-road use in mobile machinery and equipment delivered directly into a customer's bulk storage tank in an amount of 100 gallons or more. c. Gasoline and undyed diesel fuel sold to a common motor carrier for urban mass transportation of passengers. d. Gasoline and undyed diesel fuel exported from Wisconsin. Note: Gasoline carried out of the state in the ordinary fuel tank of a motor vehicle is not gasoline exported. e. Gasoline sold and delivered (for use in aircraft) directly into a licensed general aviation fuel dealer's or user's bulk storage tank in an amount of 100 gallons or more. f. Undyed diesel fuel sold as heating oil. g. Undyed diesel fuel

sold for use in trains. h. Gasoline and undyed diesel fuel sold on a tribal reservation to Native Americans. i. Dyed diesel fuel. j. Personal Renewable Fuel Production. The first 1,000 gallons of renewable fuel (as defined in sec. 78.005(13j), Wis. Stats.) produced or converted from another purpose each year by an individual and used by that individual in his or her personal motor vehicle, provided the individual does not sell any such renewable fuel during that year.

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

There is no statute of limitations to file amendments to remit additional tax.

**Section 39-What is your statute of limitations to refund motor fuel tax?**

Four years in most cases. However, as specified in sec. 78.75, Wis. Stats., persons who use motor vehicle fuel (gasoline and undyed diesel fuel) for off-road purposes in mobile machinery and equipment must file a claim for a refund of the Wisconsin motor vehicle fuel tax paid when purchasing the fuel within one year of the date the fuel was sold.

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Both.

**Section 41- Does your state accept electronic BOLs?**

Yes.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

Tax on motor vehicle fuel received by a supplier for export to or for sale in Wisconsin is due at the time and place the fuel is removed from the terminal or refinery (sec. 78.07(1), Wis. Stats.). The origination date on the bill of lading (BOL) is when the tax is imposed on the supplier.

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

[May 2014 MF-002 Wisconsin Combined Monthly Fuel Summary Report Instructions and Form](#)

# STATE OF WYOMING

## **Section 1-Contact Information**

**Agency:** Department of Transportation

**Name:** Wayne Hassinger

**Street Address:** 5300 Bishop Boulevard

**City, State Zip Code:** Cheyenne, WY 82009-3340

**Phone Number:** 307-777-3909

**Fax Number:** 307-777-4769

**E-mail Address:** Wayne.Hassinger@wyo.gov

## **Section 2-Statutes and Rules**

**Please give reference to your Statutes and Rules:**

Wyoming Statutes, Title 39, Chapter 17; links provided below.

<http://legisweb.state.wy.us/statutes/statutes.aspx?file=titles/Title39/Title39.htm>  
<https://rules.wyo.gov/>

## **Section 3-State Point of Taxation**

**Gasoline:** Rack

**Diesel:** Rack

**Aviation Fuel:** Rack

**Jet Fuel:** Rack

## **Section 4-Please define “First Receiver” and “Point of Taxation” and cite your statutory reference regarding point of taxation.**

First Receiver-: Not applicable in Wyoming

Point of Taxation: 39-17-107 (b) (a)

### **Section 5-State Tax Rates\***

**Gasoline:** \$.24/gallon

**Diesel:** \$.24/gallon

**Aviation Fuel:** \$.05/gallon

**Jet Fuel:** \$.05/gallon

\*Tax rates include \$0.01/gallon A.L.T. (Additional License Tax)

### **Section 5a-Does your state calculate tax based on gross, net, or billed gallons? Please provide the reference information.**

Wyoming collects fuel tax on gross gallons.

### **Section 6- What are the fees and rates associated on reportable products (i.e. environmental fee, inspection fee)? What is the statutory reference regarding the fees on reportable products?**

N/A as far as Fuel Tax Administration is responsible for

### **Section 7-Rate Updates**

**Please list any rate updates for your state:** None.

### **Section 8-State Collection Allowance**

Wyoming does not have a collection allowance, but the distributors who own a bulk plant in Wyoming or distribute only to retail locations they own are allowed a one percent shrinkage allowance on gross gallons of bulk fuel purchased directly from a terminal and delivered in this state for use, sale, or distribution.

### **Section 9-State Diversion Requirements**

**Diversion Required** Yes

**If Diversion is required, please state Statute and/or Rule required to obtain a Diversion Number.**

Diversion numbers are not required, but the licensee must notify the department of the diversion. The requirements are detailed in W. S. 39-17-107(a)(vi)(C) and W. S. 39-17-207(a)(viii)(C), W. S. 39-17-307(a)(vi)(C).

**What diversion registry program do you use?** None.

**What products are subject to the diversion requirement?**

Diversions are required for all accountable and taxable products.

**Diversion Requirements**

Purchaser shall be liable for any tax due as result of the purchaser's diversion of fuel from the represented destination state. Report based on original bill of lading.

**What party should apply for the refund if applicable? (Supplier, customer, etc)**

Since a refund is due only for those gallons pulled with a Wyoming destination and diverted to another state, the exporter must apply for the refund of Wyoming tax.

**Do you require the Supplier/Distributor to rebill or give a credit for the diverted load? No.**

**If not required, do you allow the Supplier/Distributor to rebill or give a credit for the diverted load?** No, the credit/refund must be issued by the department.

**Any Additional Comments?**

**Section 10-Alternative Fuels Incentives and Laws**

Wyoming is the home of the Greater Yellowstone/Teton Clean Energy Coalition ([www.yellowstonetetoncleanenergy.org](http://www.yellowstonetetoncleanenergy.org)).

**State Incentives****Section 11-Taxability & Tax Rates for Biodiesel and Ethanol**

<b>B100</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>	<b>Ethanol</b>	<b>Motor Fuel Taxability</b>	<b>Misc. Taxability</b>
\$0.24 per gallon	B100 is taxable when sold to an end user.		\$0.24 per gallon when blended.		None

**Section 12-State Taxes Applicable to Imports of Ethanol and Biodiesel**

<b>Biodiesel</b>	<b>Ethanol</b>
B100 is treated like diesel fuel when sold to an end user. The tax rate is \$0.24 per gallon.	Ethanol is not taxed until blended. The tax rate is the same as gasoline \$0.24/gallon. Blender's license is required when blending.

**Section 13-Taxability & Conversion Rates for Compressed Natural Gas (CNG), E85, Electric Vehicles/Electricity, Gasoline Hybrid Vehicles, Hydrogen, Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Methanol or “M85”, and other**

<b>Fuel Type</b>	<b>Taxability</b>	<b>Conversion Rate if applicable</b>
<b>CNG (Compressed Natural Gas)</b>	Yes @ \$.24	<b>Gasoline Gallon Equivalent (GGE)</b>
<b>E85</b>	Yes @ \$.24	<b>Not Applicable</b>
<b>Electric Vehicles/Electricity</b>	\$200 Annual Decal	<b>For WYO residents</b>
<b>Gasoline Hybrid Vehicles</b>	None	<b>Proposed legislation-\$100</b>
<b>Hydrogen</b>	Yes @ \$.24	<b>Not Applicable</b>
<b>LNG (Liquefied Natural Gas)</b>	Yes @ \$.24	<b>Diesel Gallon Equivalent (DGE)</b>
<b>LPG (Liquefied Petroleum Gas)</b>	Yes @ \$.24	<b>Gasoline Gallon Equivalent (GGE)</b>
<b>Methanol or “M85”</b>	Yes @ \$.24	<b>Not Applicable</b>
<b>Other</b>		<b>Not Applicable</b>

**Section 14-Does your state charge a PERC (Propane Education Research Council Fee) on propane**

No

**Section 15-Please list what blendstocks are taxable or reportable in your state.**

<b>Blendstock</b>	<b>Tax Rate</b>	<b>Reportable</b>
<b>Natural Gas</b>		<b>X</b>
<b>LPG</b>		<b>X</b>

**Section 16-How does your state handle contaminated fuel?**

Contact our office.

**Section 17-Does your state allow bad debt credits?**

Yes

**Section 18-Please provide the following information:**

Name of Report	Due Date of Report	Due Date of Payment
DIE/SPL	Last day of month	Last day of month
DLR	Last day of month	Last day of month

**Section 19-Does your state consider postmarked or received by due date as timely filed?**

Postmarked for paper/electronic date stamp for electronic data

**Section 20-When filing a return electronically, what time is considered timely? (Example: 11.59 pm on due date)**

11:59 pm on due date

**Section 21-When the due date of the return(s) and payment(s) falls on a weekend or Holiday, when are the report(s) and payment(s) due?**

Always the last day of the month regardless of weekend or holiday

**Section 22-What are your penalties for late filing report(s) and payment(s)?**

Name of Report	Report Penalties	Payment Penalties
Supplier, DIE, Dealer w/Dollars	10% penalty, 1% interest	

**Section 23-How is E85 treated in your state? What blends are considered to be reported as E85? What percentage range is considered E85?**

Taxed \$.24 per gallons  
85% ethanol, 15% gasoline

**Section 24-Does your state require Common and Contract Petroleum Products Carrier/Transporter reports and if so, who is required to report?**

Yes – Interstate Carriers are required to report

**Section 25-(Tax as the rack states or first receiver states only) How does your state handle flash title transactions?**

If a distributor, they report on a Schedule 2 and Schedule 6.



**Section 26-Does your state allow deferral of the State excises tax and/or the Federal excises taxes between the Supplier and their customer? If so, what is the time frame the customer has to pay the excise taxes to the Supplier? Please provide the Statute that supports that deferral.**

Yes. Only a deferral of the state tax. 39-17-107 (bii); 39-17-207 (bii); 39-17-307 (bii)

**Section 27-If your state allows deferral of the state excise taxes and/or the Federal excise taxes between the Supplier and their customer, how do you treat the Environmental fees and/or Inspection Fees? Please provide the Statute that supports that deferral**

They are deferred as well. 39-17-107 (bii); 39-17-207 (bii); 39-17-307 (bii)

**Section 28-Does your state impose a sales tax on gasoline, clear diesel or dyed diesel? I so, how are the rates calculated? How often does the rate change? Is tax imposed on volume or value and when is it collected?**

No

**Section 29-What are your bonding requirements for your motor fuel license(s)?**

\$50,000 per fuel family or the equivalent of the licensee's tax liability for 6 months, whichever is greater.

**Section 30-Define the hierarchy of licenses in each state, who is responsible for remitting taxes to the state and the applicable activity for each license. (Note: Please select the activity descriptions if not listed below and add any activity descriptions not listed for your state.)**

**Activity Descriptions:**

- 1. Import
- 2. Export
- 3. Sell at Wholesale
- 4. Sell at Retail
- 5. Fuel in Terminal
- 6. Transport Fuel
- 7. Operate IRS Terminal
- 8. Blends Fuel
- 9. Refine Fuel
- 10: Stores Fuel at IRS Terminal (ExStar Report)

Licenses Issued	Put a Check if Remits Tax	Applicable Activity Number(s)
Supplier	X	1,2,3,5,6,8,10
Importer	X	1,3,4,6,8
Exporter		2,6
Distributor	X	3,4,6,8
Terminal		5,7,8,9,10
Dealer		4
Alternative Fuel Dealer	X	4

**Section 31-Does your state require the seller to collect both origin and destination state taxes?**

No

**Section 32-If your state taxes at the rack, does your state require pre-collection election?**

No

**Section 33-When amending returns does the state require the entire return to be amended or amend only the information that is changing?**

Only the information that is changing

**How are amended returns filed in your State electronically, by paper, or both?**  
**When amended returns are filed, does the state require the resubmission of the entire return including changes or submit only the information changed or updated? Please provide details.**

In Wyoming, amendments are still filed by paper as our system does not currently allow for electronically filed amendments. Amendments should only include changes to the original return filed.

**Section 34-Does your state allow credit and rebills on the current month report?**

No

**Section 35-How many days are allowed to report late loads?**

Wyoming does not have an allowance

**Section 36-What data elements are required on BOL/Shipping document and or Invoice by your state? Please provide the statutory reference.**

39-17-107(a)(v)  
39-17-207(a)(vii)  
39-17-307(a)(v)

**Section 37-What entities are exempt / excluded in your state?**  
**Please cite the statutory reference.**

None

**Section 38-What is your statute of limitations to file amendments to remit additional tax?**

3 years

**Section 39-What is your statute of limitations to refund motor fuel tax?**

1 year

**Section 40-Is a refund of motor fuel tax via an amended return, specific claim for refund form or both?**

Amended return

**Section 41- Does your state accept electronic BOLs?**

No.

**Section 42- Rail Car**

**When product is shipped by railcar, does your state accept BOL date (origin sales) or delivery date (delivered sales)?**

BOL date

**Section 43-Are tax return templates and instructions available on your state's website? If yes, please provide the web link to the templates and instructions. If no, please provide a contact to obtain the templates and instructions.**

[https://www.dot.state.wy.us/home/business with wydot/fuel tax/tax returns.html](https://www.dot.state.wy.us/home/business%20with%20wydot/fuel%20tax/tax%20returns.html)