



NOTICE TO SELLERS OF DIESEL OIL, LIQUIFIED PETROLEUM GAS AND OTHER SPECIAL FUELS FOR USE IN MOTOR VEHICLES

SPECIAL STATE LICENSE REQUIRED --- Persons selling and delivering diesel oil, liquified petroleum gas, and any fuel other than gasoline, into the fuel tanks of motor vehicles must make application to the Oregon Department of Transportation for a license authorizing such transactions. State form 1337 is provided for this purpose. Licenses are issued without charge and are valid until canceled or revoked.

STATE TAX TO BE COLLECTED --- Sellers of "special fuels" must collect, and remit to the Oregon Department of Transportation each month (except when quarterly reports are authorized), the Oregon tax on each gallon delivered into motor vehicle fuel tanks, except that tax will not be charged on deliveries to:

1. Vehicles that display a valid weight receipt, temporary permit or pass issued by the Oregon Department of Transportation. (O. D.O.T.)
2. Vehicles that display a valid Oregon Use Fuel Emblem issued by the Oregon Department of Transportation.
3. Farm tractors and other implements of husbandry only incidentally operated or moved over the highways.
4. United States Government licensed vehicles.

SALES INVOICES AND RECORDS --- Sellers must keep, and preserve for a period of three years, sufficient records to properly account for all "special fuels" handled. Invoices are not required for sales of fuel delivered into vehicles with a combined weight of 26,000 pounds or less, **if the tax is collected**, unless the vehicle operator requests an invoice. **Invoices are required for all other sales.** The invoice must be prepared in duplicate, one copy given to the purchaser and one copy retained by the seller. The invoice must show at least the following:

1. Sale date.
2. Name and address of seller.
3. Name and address of purchaser. The purchaser's name and address is not required on invoices for sales delivered into vehicles with a combined weight of 26,000 pounds or less if the tax is collected.
4. Name of product and number of gallons sold.
5. The ODOT weight receipt, temporary receipt or pass, or the Oregon use fuel emblem number, or the US Government license number. If the sale is other than to a motor vehicle, the type of vehicle/container should be indicated on the invoice.
6. The amount of Oregon tax collected, if applicable, or a notation that the tax is included in the price shown on the pump.

TAX REPORT --- Sellers of special fuel must file a report of taxable sales for each calendar month, except sellers who have a monthly tax liability of less than \$300.00. Sellers in this classification may be authorized to file reports on the basis of a calendar quarter. Request authorization from the Department. The report is to be filed on form 1334 and is due on the 20th of the month following the calendar month or calendar quarter in which the fuel was sold. Sellers who have a tax liability of less than \$100.00 a year may be authorized to file an annual report which is due not later than January 20 of the following calendar year. Request authorization from the Department.

INTEREST --- The Oregon Use Fuel Tax Law (ORS 319.510 to 319.880 and 319.990) provides for assessment of interest for late payment of tax. The interest rate is .0329% per day for each day the tax payment is delinquent. This rate is approximately equal to a rate of 1% per month or 12% per year. Interest applies only to late payments of tax and cannot be waived.

PENALTIES --- The law also provides for the assessment of a penalty of 10% of the tax for late payment of tax. The late payment penalty may be waived under certain conditions. Request for waiver of 10% late payment penalty must be in writing.

What User Must Do:

1. Obtain a user license and vehicle emblem, except that persons who operate a vehicle with a combined weight of 26,000 pounds or less, and who purchase all the fuel used in Oregon from Oregon sellers who collect the Oregon tax at the time of sale, are not required to be licensed.
2. Licensed users must file periodical reports of miles operated and gallons of fuel used and pay the tax due.
3. Use fuel user license, reports and payment of tax are not required if all vehicle operations are covered under Oregon D.O.T. permits.
4. Operators of vehicles licensed in other states, and exempt from O. D.O.T. are not required to obtain a license and emblems or to file reports, if Oregon operations do not exceed 30 days, and if all fuel is purchased including the Oregon tax.

WHERE TO GET FORMS AND INFORMATION --- Oregon Department of Transportation, Fuels Tax Group, 550 Capitol St. NE, Salem OR 97301-2530. Phone (503) 378-8150, FAX (503) 378-3060 Website www.oregon.gov/odot/cs/ftg