



Oregon Department of Transportation

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USE FUEL SELLER LICENSEES

I am sending this letter to let you know that the Fuels Tax Group is delaying the implementation of the reporting changes, referenced in my letter dated December 6, 2012, that were scheduled to take effect July 1, 2013.

After sending the December 6, 2012 letter, I received several questions and concerns regarding the changes outlined in my letter. Due to those concerns, representatives of the Fuels Tax Group met with representatives of the Oregon Petroleum Association (OPA) and others in the industry to come up with a solution. After those meetings, it became clear that a solution that works for all segments of the industry and ODOT is not going to be simple. Instead of trying to adopt changes just to meet our deadline, I felt it was better to delay the changes and continue working the industry in an effort to find a solution that will help all segments of the industry report and pay the appropriate use fuel taxes to ODOT.

Please take note of the reporting requirements listed below. Please contact the Fuels Tax Group if you have any questions or need additional information,

RETAIL SITES:

Will see little change in their reporting requirements. Retail sites complete schedule 1 (Fuel Handled) and schedule 2 (Pump Meter Readings) for each site. When selling ex-tax fuel to customers, retail site operators will need to complete an ex-tax sales invoice.

CARDLOCK OPERATIONS:

This includes card issuers for cardlock and fleet cards that can be used at both traditional cardlock sites and selected retail sites. Those sellers with sites in Oregon will complete schedule 1 (Fuel Handled) for the physical site. All sellers who issue cards as described will report both taxable and non-taxable gallons purchased by their customers at cardlock (non-retail) sites on schedule 3.

The requirement to report retail transactions is suspended while we are working on a solution. Those sellers who do report retail transactions may claim a credit on their schedule 3 when the tax is also paid to the retailer. **To claim the credit, you will need to attach a report or worksheet** showing the retail locations where your customers purchased fuel, and the gallons purchased at each location. Deduct the retail gallons as a separate line item on schedule 3.

FLEET FUELING OPERATIONS:

Will also see little change in their reporting requirements. Complete schedule 1 (Fuel Handled) and schedule 4 (Fleet Fueling Operations) with the customer information and summary of gallons sold (taxable and ex-tax).

BULK SALES:

There is almost no change for bulk fuel sellers. We would just like to remind you that if you sell fuel in bulk, it is reported on schedule 5. Most bulk sales are made without the tax; if the sale is to a reseller, it cannot include tax. If you do collect tax on a bulk sale, it is reported on schedule 5.

At this point, I am not certain when a decision will be made on any change to use fuel reporting, but as soon as a decision is made, the changes will be communicated to all sellers and posted on the Fuels Tax Group website.

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