



# Oregon

Kate Brown, Governor

## Department of Transportation

Fuels Tax Group, MS 21

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### This notification applies to:

- All licensees EXCEPT Use Fuel Users.
- All fuels including dyed diesel not sold as home heating oil EXCEPT propane not dispensed into a vehicle.
- All reporting, electronic or paper.
- All location codes (facility ID, origin and destination) EXCEPT the home heating oil codes (HHO), and Terminal Location Codes.
- Origin locations for imports and destination locations for exports.

ODOT is tasked with administration of state motor fuel taxes, and has agreements with two counties and seventeen cities to administer their local taxes. In addition, we are regularly asked for information regarding fuel sales, including the origin and destination. In order to accurately calculate the state and local taxes; and to provide consistent and accurate information, ODOT is updating the Oregon Fuels Tax System (OFTS) location codes by adding or updating the Location Code/Facility ID. Licensees will be required to use the updated Location Code/Facility ID when completing and filing tax reports.

In August 2020 ODOT staff conducted a review of the Location Table in OFTS. The review revealed a number of issues that directly relate to reporting and taxation.

- Over 80% of the new codes requested and assigned have not been used in reporting as of June 2020.
- A significant number of addresses were incomplete or invalid.
- There were special codes issued that do not correctly reflect the location or taxation.
- Duplicate codes were issued; multiple codes issued for one address and multiple addresses assigned to one code.

Based on the review results we evaluated our processes and determined steps to take to resolve these issues.

Moving forward we will:

1. Delete unused codes issued through June 2020.
2. Contact licensees regarding missing, incomplete or invalid information for codes being used, then process system corrections.
3. Implement process changes on how codes are issued.

Beginning with January 2021 tax reports (due in February) these are the guidelines for location codes.

- Licensees may only request codes for the *current* customers. Customer database lists will no longer be accepted.
- Only one location code will be issued for each address. That means no separate codes for mobile home park spaces, apartments within a complex, suites at the same location or site tanks/pumps.
- All requests must be in writing and include the customer name and address (including city and zip code) of the **physical location** where the fuel is purchased, sold and/or stored. If there is no address on a highway site, provide the nearest mile post. Intersection references, exit references, delivery instructions, tax maps and GPS references will no longer be accepted. We can provide a formatted Excel spreadsheet, upon request, to request new codes.

- The appropriate city and state will be used for export destination and import origin locations. Company or site specific codes will not be issued.
- Home heating oil has special codes in the OFTS table and is the only fuel currently authorized for summary reporting.
- Coding requests with invalid, incomplete or erroneous information will be returned to the requestor for correction BEFORE any codes are issued. We will no longer process partial lists.
- All requests will be processed as received. If returned for correction, the received date begins with resubmission. If you need a location code, submit your requests as soon as possible.

If you are currently using facility ID numbers on your tax reports, you may experience transaction errors if you are not using the updated numbers.

We will be reviewing requests prior to processing which includes verifying the address in mapping and USPS. This takes more time than the old process. Many licensees historically prepare their reports close to or on the due date. Be aware that, although we process all requests as quickly as possible, we may not be able to meet your reporting deadline with short notice. That means you could have a late report that will incur interest and penalty if you are not using an updated location code/facility id.

Licensees who report inventory and/or pump meter readings will need to make some special entries in the first report using the new codes, therefore we strongly suggest you contact your assigned auditor as soon as possible. If you don't know who your assigned auditor is call 503-378-8150 (Toll Free 888-753-2525) or email [OdofuelsTax@odot.state.or.us](mailto:OdofuelsTax@odot.state.or.us).