

## Collecting the Destination State's Tax on Gasoline and Diesel Fuel Sold for Export

Beginning January 1, 2006, a licensed supplier must collect the Texas tax or be licensed and collect the destination state's tax on all gasoline and diesel fuel removed from a terminal in Texas for export to another state.

Texas licensed suppliers (position holders) are required to collect Texas tax on gasoline and diesel fuel removed from a terminal located in Texas for export to another state UNLESS:

- (1) the purchaser is a licensed exporter (or importer, distributor, permissive supplier, supplier) AND
- (2) the shipping document issued by the terminal indicates a destination other than Texas AND
- (3) the supplier (position holder) is licensed to collect and collects the destination state's tax.

### How to Report Gallons Sold For Export

Gallons sold for export on which Texas tax is collected should be reported on Line # 12 (gallons removed from IRS registered ...tax collected by the supplier) of the monthly supplier tax return.

Gallons sold for export on which the destination state's tax is collected should be reported on Line # 16 (gallons sold tax-free for export) of the monthly supplier tax return.

The following list indicates whether a Texas supplier (position holder) can obtain a destination state's license to collect the destination state's tax.

Based on information obtained from destination states December 2005.

	YES	NO	
ALABAMA	X		
ALASKA		X	
ARIZONA	X		
ARKANSAS	X		
CALIFORNIA		X	
COLORADO	X		
CONNECTICUT		X	
DELAWARE		X	
FLORIDA	X		
GEORGIA		X	
IDAHO	X		
ILLINOIS		X	
INDIANA		X	
IOWA	X		
KANSAS	X		
KENTUCKY	X		
LOUISIANA *	X		* Until July 1, 2006, a Texas seller may collect LA tax if licensed in LA; otherwise the importer must remit tax. After July 1, 2006, out of state seller not doing business in LA may obtain LA license and collect LA tax.

MAINE		X	
MARYLAND		X	
MASSACHUSETTS			
MICHIGAN	X		
MINNESOTA		X	
MISSISSIPPI	X		
MISSOURI	X		
MONTANA *		X	* Texas seller may collect MT tax if MT licensed distributor doing business in MT as a wholesaler.
NEBRASKA	X		
NEVADA		X	
NEW HAMPSHIRE		X	
NEW JERSEY		X	
NEW MEXICO *	X		* If registered in New Mexico as a distributor AND has a signed agreement (form RPD-41309) on file with the New Mexico Taxation and Revenue Department.
NEW YORK		X	
NORTH CAROLINA	X		
NORTH DAKOTA		X	
OHIO	X		
OKLAHOMA	X		
OREGON		X	
PENNSYLVANIA		X	
RHODE ISLAND		X	
SOUTH CAROLINA	X		
SOUTH DAKOTA	X		
TENNESSEE	X		
UTAH		X	
VERMONT		X	
VIRGINIA	X		
WASHINGTON		X	
WEST VIRGINIA	X		
WISCONSIN	X		
WYOMING		X	

NOTE: Texas Suppliers (position holders) collecting the destination state's tax must contact the destination state to determine whether environmental, inspection, or other fees should also be collected on gallons sold in Texas for import into their state.