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TAX TOPICS

Texas Comptroller of
Public Accounts

Important Reminder Concerning the Sale of Dyed Diesel Fuel

Texas law allows diesel fuel suppliers, permissive suppliers and distributors to sell dyed diesel fuel directly into the fuel tanks of off-highway equipment, such as motorboats, tractors or railway engines and into the fuel supply tanks of reefer units or other stationary equipment powered by a separate motor and separate fuel supply tank from the motor vehicle.

For these sales, the purchaser is not required to provide the seller with a diesel fuel license number or end user signed statement number. However, the transaction must be documented on the sales invoice that includes:

- the preprinted name of the seller;
- name of the purchaser;
- date of delivery;
- type of fuel;
- number of gallons delivered;
- type or description of the equipment into which the fuel is delivered;
- a statement that no state tax was collected; and
- the signature of the purchaser.

An end user signed statement number, dyed diesel fuel bonded user license or other diesel fuel license (distributor, permissive supplier or supplier) **is required** when the seller delivers dyed diesel fuel into a bulk storage tank on a boat, a dock, a portable tank on a truck or any other bulk storage tank. A diesel fuel license or end user signed statement number is required in this case even when the intended use of the dyed diesel fuel is in off-highway equipment.

Texas law prohibits dyed diesel fuel from being sold or purchased with tax included.

The End User Signed Statement Number Registration, Form AP-197, and the Texas Application for Fuels Tax License, Form AP-133, are available online at comptroller.texas.gov/taxes/franchise/forms/.

FOR MORE INFORMATION,
SEARCH OUR WEBSITE AT
Comptroller.Texas.Gov

OR CALL
1-800-252-5555.

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