



NOTICE TO PERSONS WHO USE DIESEL OIL, LIQUIFIED PETROLEUM GAS OR ANY FUEL OTHER THAN GASOLINE TO PROPEL A MOTOR VEHICLE ON OREGON HIGHWAYS

SPECIAL STATE LICENSE REQUIRED --- Persons using fuel other than gasoline to propel any motor vehicle, except those exempted by law as set forth below, are required to first obtain an Oregon use fuel user license and a vehicle emblem (cab card) for each vehicle operated. (This is in addition to the regular certificate of registration and license plate.) The special license and emblem are issued without charge. Application is to be made on Form 1335. A nonresident may operate a vehicle not registered in Oregon, for a period of 30 days without obtaining the user license or vehicle emblem, if all fuel used on Oregon highways is obtained from Oregon sellers who collect the Oregon tax at the time the fuel is sold.

Operators of the following vehicles are exempt from the licensing provisions of the Oregon Use Fuel Tax Law:

1. Vehicles operating under a valid Oregon weight receipt, temporary receipt or pass; O. D.O.T. weight mile taxes are paid on all miles.
2. U.S. Government licensed vehicles.
3. Farm tractors and other implements of husbandry only incidentally operated or moved over Oregon highways.
4. Vehicles with a combined gross weight of 26,000 pounds or less, if all the fuel used on Oregon highways is purchased from an Oregon seller who collects the Oregon tax at the time of sale.
5. Motor homes and recreational vehicles, if all fuel used on Oregon highways is purchased from an Oregon seller who collects the Oregon tax at the time of sale.

RECORDS REQUIRED --- Licensed users of special fuel must keep sufficient records to show miles operated on Oregon highways, gallons of fuel used in such operation, and the source of the fuel, except that users who operate a motor vehicle with a light weight of less than 8,000 pounds may maintain only a record of miles operated upon Oregon highways. Users of fuel in this classification may compute the gallons of taxable fuel used by applying a reasonable miles per gallon figure to the Oregon miles operated.

TAX REPORTS --- Each licensed user of special fuel is required to file a periodical report and to pay the Oregon tax due, according to the schedules below. (Sellers of special fuel are not required to collect the Oregon tax from licensed users displaying a valid vehicle emblem card.) Each licensed user is required to pay the tax directly to the Oregon Department of Transportation.

1. Licensed users who incur a tax liability of \$300.00 or more a month are required to file a report for each calendar month. Reports are due on the 20th day of the month following the month in which the fuel was used.
2. Licensed users who incur a tax liability of less than \$300.00 a month are required to file a report for each calendar quarter. Quarterly reports should be filed as shown below:

| <u>Quarter</u> | <u>Period Covered</u> | <u>Report Due Date</u> |
|----------------|-----------------------|------------------------|
| 1st | 1-1 to 3-31 | April 20 |
| 2nd | 4-1 to 6-30 | July 20 |
| 3rd | 7-1 to 9-30 | October 20 |
| 4th | 10-1 to 12-31 | January 20 |

3. Licensed users who incur a tax liability of less than \$100.00 a year may be authorized by the Department to file an annual report which is due not later than January 20 of the following year. Request authorization from the Department.

4. Licensed users who operate a vehicle weighing 8,000 pounds or less are required to file at least an annual report. The annual report covers the calendar year and is due on or before March 1 of the following year.

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.

PENALTIES --- The Oregon Use Fuel Tax Law (ORS 319.510 to 319.880 and 319.990) in addition to misdemeanor penalties for violation of any section of the law, imposes penalties as follows:

1. 25% of the tax for using fuel without first obtaining a user license or vehicle emblem, if required.
2. 10% of the tax for failure to pay by the due date. Late payment penalties may be waived under certain conditions. Request for waiver of the penalty must be in writing.

GENERAL PROVISIONS --- Licensed users must notify this office if they discontinue using fuel in any vehicle for which they hold a vehicle emblem. The Department of Transportation may revoke any user's license for failure to comply with the provisions of the law. A performance bond may be required.

WHERE TO GET FORMS AND INFORMATION --- Requests for forms and information should be directed to the Oregon Department of Transportation, Fuels Tax Group, 550 Capitol St. NE, Salem OR 97301-2530. Phone (503) 378-8150, FAX (503) 378-3060