



Florida Department of Revenue
Tax Information Publication

TIP

No: 14B05-02

Date Issued:
April 9, 2014

Natural Gas Fuel Registration Requirements and Exemptions

Registration

A natural gas fuel retailer and any business that uses natural gas fuel are required to obtain a license as a retailer of natural gas fuel. “Natural gas fuel retailer” means any person who sells, produces, or refines natural gas fuel for use in a motor vehicle as defined in section (s.) 206.01(23), Florida Statutes (F.S.). A natural gas fuel retailer includes any person who purchases natural gas without tax and uses the fuel in a motor vehicle as defined in s. 206.01(23), F.S. “Natural gas fuel” means any liquefied petroleum gas product, compressed natural gas product, or combination thereof used in a motor vehicle. Products include natural gasoline, butane gas, propane gas, or any other form of liquefied petroleum gas, compressed natural gas, or liquefied natural gas.

In addition to a retailer of natural gas fuel license, dual users of natural gas fuels should determine if they need a separate registration for sales and use tax or a gross receipts tax. Dual users are defined as a natural gas fuel retailer and distributor or user of natural gas.

- Distributor – Any person that receives payment for the sale or transportation of natural or manufactured gas to a retail consumer in Florida, for utility services, must register with the Department of Revenue to report and pay gross receipts tax under Chapter 203, Florida Statutes. The term does not include natural gas transmission companies that are subject to the jurisdiction of the Federal Energy Regulatory Commission.
- User of Natural Gas - Any person who imports into Florida natural gas or manufactured gas for his or her own use as a substitute for purchasing utility, transportation, or delivery services taxable under Chapter 203, F.S., who cannot prove payment of tax, must register to report and pay use tax under Chapter 212, Florida Statutes.

An example of a dual user includes anyone who uses natural gas for heat and to fuel vehicles.

Exemption

Natural Gas Fuel Retailer – Tax is not imposed on natural gas fuel until January 2019. Therefore, any person registered as a retailer of natural gas fuel shall purchase the natural gas fuel exempt from the natural gas fuel tax. The natural gas fuel retailer must give the seller a certificate stating that the natural gas fuel is for exclusive use in the fuel supply system of a motor vehicle. The selling dealer must maintain the required certificate in its books and records as proof of the exempt transaction.

Natural gas and natural gas fuel are exempt from sales tax and gross receipts tax when placed into the fuel supply system of a motor vehicle. To qualify for the exemption from sales tax and gross receipts tax at the time of purchase, the purchaser must give the seller a certificate stating that the natural gas or natural gas fuel is for exclusive use in the fuel supply system of a motor vehicle.

Dual User - Any person purchasing natural gas and natural gas fuel, who is not separately metered, for a use that is subject to sales tax and/or gross receipts tax and for use in a motor vehicle should obtain a natural gas fuel retailer's license, a sales and use tax registration, and a gross receipts tax registration, if applicable. The purchaser will purchase the fuel exempt from tax and will be required to self-accrue and remit the applicable taxes to the Department. To qualify for the exemption from sales tax and gross receipts tax at the time of purchase, the purchaser must give the seller a certificate stating that it will self-accrue the applicable taxes and remit them to the Department. If the natural gas or natural gas fuel purchased for use in a motor vehicle is separately metered, the purchaser is only required to obtain a license as a retailer of natural gas fuel. Any applicable sales tax and/or gross receipts tax owed by the purchaser will be paid directly to the supplier.

A suggested exemption certificate is attached.

References: Chapters 203, 206, and 212, Florida Statutes; Rule Chapters 12A-1 and 12B-5, Florida Administrative Code

For More Information

This document is intended to alert you to the requirements contained in Florida laws and administrative rules. It does not by its own effect create rights or require compliance.

For forms and other information, visit our Internet site at www.myflorida.com/dor or call Taxpayer Services, 8:00 a.m. to 7:00 p.m., ET, Monday through Friday, excluding holidays, at 800-352-3671.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, Mail Stop 3-2000, 5050 West Tennessee Street, Tallahassee, FL 32399-0112.

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SUGGESTED EXEMPTION CERTIFICATE FOR SALES TAX AND GROSS RECEIPTS TAX ON NATURAL GAS AND NATURAL GAS FUEL

() This is to certify that the purchase of natural gas fuel by _____ (Purchaser's Business Name) on or after _____ (Date) from _____ (Selling Vendor's Name) will be used exclusively in the fuel supply system of a motor vehicle as defined in s. 206.01(23), F.S.

This is to certify that the purchase of natural gas and natural gas fuel by _____ (Purchaser's Business Name) on or after _____ (Date) from _____ (Selling Vendor's Name) shall be purchased for the following purposes (dual users):

- () Use exclusively in the fuel supply system of a motor vehicle as defined in s. 206.01(23), F.S.
() Use as a utility subject to the gross receipts tax in s. 203.01, F.S.
() Use or sale subject to sales or use tax under Chapter 212, F.S.

This is to certify that I have obtained a retailer of natural gas fuel license, a gross receipts tax registration (if applicable), and a sales tax registration, and that I will self-accrue and remit the applicable taxes to the Department.

I understand that if I fraudulently issue this certificate to evade the payment of Florida sales tax and/or gross receipts tax, I will be liable for payment of the tax, plus a penalty of 200% of the tax, and may be subject to conviction of a third-degree felony.

The selling dealer must maintain this certificate in its books and records until the taxes imposed by Chapters 203, F.S. and 212, F.S., may no longer be determined and assessed under s. 95.091(3), F.S. This completed certificate shall act to relieve the seller from the responsibility of collecting tax on exempt sales. The Department will look solely to the purchaser for recovery of any taxes due.

PURCHASER'S NAME (PRINT OR TYPE)

SIGNATURE OF PURCHASER OR AUTHORIZED AGENT

TITLE OR DESIGNATION

DATE