Introduction to Fuel Tax in the State of Oregon

Whether we travel by train, plane, car, bus, bicycle, or on foot, we all depend in one way or another on a safe and reliable transportation system. A multi-billion dollar investment in our people, our environment and our state, Oregon's transportation system plays a role in nearly every aspect of life — we buy food that is trucked into a grocery store, our children ride to school on buses, tourists fly in, drive around the state and then fly out, fishermen earn a living with their boats, and goods are shipped in and out along rivers and the ocean — just to name a few.

A sound multimodal transportation system supports our existing economy, facilitates desired growth, reduces the costs of congestion and inefficiency, and links us together to promote success in all regions of the state.

The money that pays to preserve, improve and operate Oregon's road system comes from state, federal, county and city sources. Oregon funds its road system through "road user fees" based on these principles:

- *Those who use the roads pay for them;*
- *Road users pay in proportion to the road costs for which they are responsible; and*
- *Road user fees are used for constructing, improving and maintaining roads.*

(Excerpted from Oregon Department of Transportation Key Facts - 2008)

This publication discusses one of those "road user fees" - Fuel Tax. Fuel Tax is applied to all fuels used to propel motor vehicles on Oregon's roads and highways. The Fuel Tax program is governed by Oregon Revised Statute 319 which divides fuel into two categories:

- *Motor Vehicle Fuel and Aircraft Fuel Taxes (gasoline, gasoline blends, and aviation fuel)* – A Motor Vehicle Fuel Dealer is defined as any person who imports, exports, produces, refines, manufactures, blends or compounds motor vehicle fuel or aircraft fuel.
    - Motor Vehicle Fuel is taxed at 30¢/gallon
    - Aviation Gas is taxed at 9¢/gallon
    - Jet Fuel is taxed at 1¢/gallon
- *Use Fuel Taxes (diesel, bio-diesel, propane, compressed natural gas, etc.)* – Use Fuel is not required to be taxed until it is placed into a motor vehicle. A Use Fuel Seller, Use Fuel User, or Bulk Distributor may collect and remit the tax. See the definitions below.
    - Use Fuel is taxed at 30¢/gallon

This publication continues by outlining the responsibilities and requirements of **BIODIESEL and/or ETHANOL PRODUCERS –** those who produce non-petroleum fuel products for sale, blending, or distribution. Producers generally will not incur a tax liability, but are an integral part of the fuel distribution system.

BIODIESEL AND ETHANOL PRODUCERS

Why do I have to become registered as an Biodiesel and Ethanol Producer?

The law generally places the liability for the fuels tax on Motor Vehicle Fuel Dealers, Use Fuel Sellers, Use Fuel Users, or Bulk Distributors. The biodiesel or ethanol producer may sell products to one or more types of the licensees that are responsible for the tax. Reporting biodiesel and ethanol product movement (production and sales within the state as well as fuel exported) allows the Fuels Tax Group to confirm that any products subject to tax are reported by the appropriate licensee.

How do I become registered as an Biodiesel and/or Ethanol Producer?

The process begins with completing an application (available online or by mail). Once the application is submitted and the information is verified, a registration is issued containing a unique registry number which is used in all reporting and correspondence. Additional registrant details include:

- No registration fees.
- No bond is required.
- Ethanol/Biodiesel registration is valid until cancelled and is *not* transferrable.
- A change in legal entity may require re-registering (contact the Fuels Tax Group for further assistance).

See the section entitled “Application and Form Instructions” subsection “Completing the Application”.

Once I am registered, what do I need to do?

Biodiesel and Ethanol producers may be independent or owned by/associated with a company that also has sales or storage of petroleum products. The recordkeeping requirements for those who purchase, blend, and/or sell the products in a taxable manner are outlined in separate publications, depending on the type of operation (see Terminal Operators, Motor Vehicle Fuel Dealers, Use Fuel Sellers, Use Fuel Bulk Distributors).

Compliance with Fuel Tax law consists of several things:

- Record keeping:
  - Receipt, production, and distribution records for biodiesel and ethanol
  - Receipt and distribution records for petroleum products
  - Beginning and ending inventory for all storage tanks
  - Carrier information for receipts and deliveries
  - Supplier information for receipts
  - Customer information for distributions
  - Destination for delivery of products (physical address if within the state; city and state if exported from the state)
  - Fuel Type and gallons transported
  - Any other documents used or maintained to prepare the Registered Biodiesel and/or Ethanol Producer Report

- Reporting
  - Submission of Biodiesel / Ethanol Producer Report
  - Supporting Schedules detailing products received, produced, and delivered
  - Reports are due on the 25th of the next calendar month

- Compliance
    - Participation in and cooperation with periodic audits.
    - Timely response to information requests.
    - Required records must be made available upon request during normal business hours.
    - Records are to be summarized by calendar month.

What is involved in an audit?

Audits are reviews of reports and supporting documentation that verify the accuracy of information reported. Audits may be conducted from our office or at the licensee or registrant's location. Supporting documentation may be any or all of the items listed in the "Recordkeeping" section of this guide.

How often will the Fuels Tax Group be in contact with me?

The Fuels Tax Group is available Monday through Friday, 8:00am to 5:00pm to assist the public in complying with Fuels Tax law. We may also contact current licensees/registrants with recently revised information or reporting requirements, changes in application of Fuels Tax law or changes in industry that affect compliance.

The Fuels Tax Group will also contact licensees/registrants in writing for the following reasons:

- Reports/payments not received (Trace Letters)
- Errors/omissions of required information
- Any other issue requiring the registrant's attention

How do I cancel my Biodiesel and/or Ethanol Producer Registration?

Once the conditions that required registration are no longer present, you may request (in writing) that your registration be canceled. You may use the cancellation form available on our website, or write a letter which includes the following information:

- Registrant information;
- Last date of operation;
- Disposition of business (closed, sold, no longer producing fuel, etc.) or
- Reason registration is not required; and
- Name and contact information of new owner (if applicable)

The Fuels Tax Group may also contact you if we find reason to believe you no longer need to be registered.

You are responsible for filing Biodiesel and Ethanol Producer report forms through the date of sale or closure.

NOTE: Writing "final report" or similar verbiage on a Biodiesel/Ethanol Producer report may not result in your registration being cancelled timely. These comments do not provide sufficient information to cancel the license and may not be observed until your report has completed processing.

APPLICATION INSTRUCTIONS

Once the Fuels Tax Group receives the registration application, it is reviewed for completeness. If additional information is needed, we will attempt to make contact by phone, email, or postal mail to obtain the information. If all the required information is provided, the registration will be issued along with the following information:

- Registration document displaying registry number and registrant information.
- Biodiesel / Ethanol Producer Report forms and this Compliance Guide - also available on-line.

Completing the Application

The application to obtain an Biodiesel / Ethanol Producer registration is available by mail or on the Fuels Tax Group website at: http://fuelstax.Oregon.gov

The last page of the application contains instructions for its completion. Please make sure to provide:

- Identifying information for the registrant and authorized contacts
- Signature certifying the accuracy of the information provided

Power of Attorney forms are also available and required if the licensee or registrant is using a person or entity to act on their behalf. The Fuels Tax Group will not provide information to anyone who is not duly authorized by the licensee or registrant.

TAX REPORT AND SCHEDULE INSTRUCTIONS

The Biodiesel / Ethanol Producer Report and supporting schedules are designed to meet the statutory reporting and record keeping requirements while at the same time providing the necessary information for the Fuels Tax Group to verify the accuracy and validity of the information being reported.

Rather than leave a producer in the dark as to how to properly report the fuel transported, this guide was created to provide step by step detailed instructions. Registrants may also contact the Fuels Tax Group at any time and receive one-on-one assistance from an experienced staff member.

Registrants may use the forms supplied by the Fuels Tax Group as part of their online filing system. Small-volume producers may be able to report using an excel version of the forms. Contact the Fuels Tax Group to determine whether an excel version of the report is available for your reporting situation.

BIODIESEL / ETHANOL PRODUCER REPORT (Form 734-2927)

What to Include In This Report:

- Diesel and Biodiesel Blends
  - 160 – Diesel
  - 170 – Biodiesel (use for all biodiesel except B20 or greater made with UCO)
  - B20 – B20 or Greater made with Used Cooking Oil

- Ethanol and Ethanol Blends
  - E00 – 100% Ethanol
  - E99 – 99% Ethanol (Denatured Alcohol)
  - E10 – Gasoline Ethanol-Blended
  - E85 – Gasoline Ethanol-Blended Flex

Line By Line Instructions

Registered Biodiesel or Ethanol Producer Information:

Complete the registrant's name, Federal Employer Identification Number (FEIN), and registry number fields in the header section of the report.

Tax Report Period:

Enter the month and year for which this report is being prepared.

Address and Contact Information:

Write in the address of the registrant on the second line of the header. Include the name and title of the report preparer.

NOTE: *Complete the supporting schedules before continuing with the summary information on the 'front page' of the report. Separate schedules are required for inventory, receipts, and disbursements.*

Line 1. Beginning Inventory.

Enter the gallons in storage at the opening of business on the first day of the month, summarized from the gallons reported on the 'detail of fuel inventory' schedule. This should match the closing inventory reading from the prior month.

Line 2. Gallons Produced.

Enter the total gallons of fuel produced from the 'detail of fuel inventory' schedule in the appropriate column.

Line 3. Sales from Disbursement Schedules (schedule 6 or schedule 7).

Enter the total gallons of fuel sold or distributed to customers as detailed on schedule 6 (ex-tax sales) or schedule 7 (export sales).

Line 4. Gain (-) or Loss (+)

Enter the total gallons gained or lost during storage or transportation of products.

Line 5. Ending Physical Inventory

Enter the gallons in storage at the close of business on the last day of the month, summarized from the gallons reported on the 'detail of fuel inventory' schedule. This should become the beginning inventory reading for the next month.

Line 6. Diesel Receipts (from schedule 2)

Enter the total gallons of clear diesel purchased for use in production from the detail in schedule 2.

CERTIFICATION OF REGISTRANT:

Sign and date the completed form on the lines provided, and legibly print the name of the person signing the form, their title, and the date signed. If this report is made by a sole proprietor, the owner is required to sign their own report. If this report is made by a corporation, partnership, limited liability company, association, or other business organization, it must be signed by one of the principal officers, owners, or partners.

AMENDED REPORTS:

The purpose of amended reports is to show increases or decreases to gallons previously reported for a given period. These corrections will be reviewed. To amend the report, submit the new or revised fuel transport information on a standard tax report. In the electronic system, original tax reports have a sequence number of zero. Amended tax reports will start with sequence 1, 2, 3, and so forth.

DETAIL SCHEDULE OF INVENTORY

Complete the header information with the company name, FEIN, registry number, and the tax report period. If you are using the online reporting system or an excel version of the reports, this information will fill automatically. There is space on each page of the schedule for up to fifteen tanks or plants.

Complete the following information for each tank or plant. Use a separate section for each tank or product type:

Plant: Enter the plant name or identifying code

Product Code: Enter the product stored in this plant/tank

Percent of Biodiesel or Ethanol: Indicate the percentage of Biodiesel or Ethanol in the product stored. Use the two digit number for percentages less than 100% -- ie B05 or E05 for 5% product. For 100%, use 00.

Line 1. Beginning Inventory.

Enter the gallons in storage at the opening of business on the first day of the month for each tank. This should match the closing inventory reading from the prior month.

Line 2. Gallons Produced.

Enter the total gallons of fuel produced during the reporting period for each fuel type.

Line 3. Sales from Disbursement Schedules (schedule 6 or schedule 7).

Enter the total gallons of fuel sold or distributed to customers as detailed on schedule 6 (ex-tax sales) or schedule 7 (export sales).

Line 4. Gain (-) or Loss (+)

Enter the total gallons gained or lost during storage or transportation of products.

Line 5. Ending Physical Inventory

Enter the gallons in storage at the close of business on the last day of the month for each tank. This will become the beginning inventory reading for the next month.

Summarize the totals on lines 1 through 5 by fuel type (ethanol, B20 used cooking oil, and other biodiesel blends) and enter the totals in the appropriate columns on the front page of the Biodiesel and Ethanol Producer Report.

SCHEDULE 2 – RECEIPTS

Complete the header information with the company name, FEIN, registry number, and the tax report period. If you are using the online reporting system or an excel version of the reports, this information will fill automatically. This schedule is used to report receipts of diesel or gasoline for blending with the biodiesel or ethanol produced. A separate schedule should be completed for each product type.

CARRIER INFORMATION: Columns 1 through 3
Identify the carrier of the fuel for this delivery. Include: The carrier name, FEIN if known, and Mode of Transport (see list below),

Modes of Transport:

J	Truck	R	Rail	B	Barge
PL	Pipeline	S	Ship (Ocean Vessel)		

COLUMN 4: Point of Origin.
The location the fuel was loaded onto the carrier

COLUMN 5: Point of Destination.
The location (city and state) where the fuel was delivered. This may be an owned or leased bulk tank, but will be included on the detail schedule of inventory.

COLUMNS 6 and 7: Supplier's Name (6) and FEIN (7).
The company from which you purchased the fuel, and their Federal ID number.

COLUMN 8: Date Received.
The date the fuel was delivered to your tank. This may be different from the load date if the fuel was in transport overnight.

COLUMN 9: Document Number.
Enter the Bill of Lading (BOL) number from a truckload delivery, or the delivery ticket, manifest, or other delivery information that identifies the fuel and gallons delivered. This information should be provided by the carrier when the fuel is delivered.

GALLON INFORMATION: Columns 10 through 12.
Enter the net gallons, gross gallons, and billed gallons as shown on the Bill of Lading (BOL) or other delivery information. If only one gallon figure is provided, enter the same gallons in each of the columns.

Forward the total gallons from column 12 (billed gallons) to line 6 of the Biodiesel and/or Ethanol Producer Report

SCHEDULE 6 – SCHEDULE OF EX-TAX DELIVERIES

Complete the header information with the company name, FEIN, registry number, and the tax report period. If you are using the online reporting system or an excel version of the reports, this information will fill automatically. This schedule is used to report distributions of fuel products within the state of Oregon.

A separate schedule should be completed for each product type. Enter the product code, including the percentage of biodiesel or ethanol in the form header.

CARRIER INFORMATION: Columns 1 through 3
Identify the carrier of the fuel for this delivery. Include: The carrier name, FEIN if known, and Mode of Transport (see list below),

Modes of Transport:

J	Truck	R	Rail	B	Barge
PL	Pipeline	S	Ship (Ocean Vessel)		

COLUMN 4: Point of Origin.
The location the fuel was loaded onto the carrier

COLUMN 5: Point of Destination.
The location (city and state) where the fuel was delivered. The physical address should be retained for audit purposes.

COLUMNS 6 and 7: Buyer's Name (6) and FEIN (7).
The company from which you purchased the fuel, and their Federal ID number.

COLUMN 8: Date Shipped.
The date the fuel was loaded for delivery from your tank.

COLUMN 9: Document Number.
Enter the Bill of Lading (BOL) number from a truckload delivery, or the delivery ticket, manifest, or other delivery information that identifies the fuel and gallons delivered. This information should be provided by the carrier when the fuel is delivered.

COLUMN 10: Billed Gallons.
Enter the billed gallons as shown on the invoice, Bill of Lading (BOL) or other delivery information.

The totals in column 10 should match the withdrawals for delivery (by product type) reported on the detail schedule of inventory. The total from schedule 6 and schedule 7 will match the total fuel disbursements reported on line 3 of the Biodiesel and Ethanol Producer Report.

SCHEDULE 7 – SCHEDULE OF EXPORT DELIVERIES

Complete the header information with the company name, FEIN, registry number, and the tax report period. If you are using the online reporting system or an excel version of the reports, this information will fill automatically. This schedule is used to report distributions of fuel products outside the state of Oregon.

A separate schedule should be completed for each product type. Enter the product code, including the percentage of biodiesel or ethanol in the form header.

CARRIER INFORMATION: Columns 1 through 3
Identify the carrier of the fuel for this delivery. Include: The carrier name, FEIN if known, and Mode of Transport (see list below),

Modes of Transport:

J	Truck	R	Rail	B	Barge
PL	Pipeline	S	Ship (Ocean Vessel)		

COLUMN 4: Point of Origin.
The location the fuel was loaded onto the carrier

COLUMN 5: Point of Destination.
The location (city and state) where the fuel was delivered.

COLUMNS 6 and 7: Buyer's Name (6) and FEIN (7).
The company from which you purchased the fuel, and their Federal ID number.

COLUMN 8: Date Shipped.
The date the fuel was loaded for delivery from your tank.

COLUMN 9: Document Number.
Enter the Bill of Lading (BOL) number from a truckload delivery, or the delivery ticket, manifest, or other delivery information that identifies the fuel and gallons delivered. This information should be provided by the carrier when the fuel is delivered.

COLUMN 10: Billed Gallons.
Enter the billed gallons as shown on the invoice, Bill of Lading (BOL) or other delivery information.

The totals in column 10 should match the withdrawals for delivery (by product type) reported on the detail schedule of inventory. The total from schedule 6 and schedule 7 will match the total fuel disbursements reported on line 3 of the Biodiesel and Ethanol Producer Report.

REPORT EXAMPLES

The examples on the following pages show abbreviated schedules for our sample biodiesel production company. For convenience in preparing the samples, only one type of fuel is shown on each schedule.

In this example, our producer makes biodiesel, both from Used Cooking Oil (UCO) and also other products. The biofuels are blended with clear diesel to make the desired grade of biodiesel for sale to customers.

OREGON DEPARTMENT OF TRANPORTATION
FUELS TAX GROUP, MS 21
355 CAPITOL ST NE
SALEM, OR 97301-3871
PH: (503) 378-8150 OR (888)753-2525
FAX: (503) 378-3060

BIODIESEL AND ETHANOL

PRODUCER REPORT

Website: http://fuelstax.oregon.gov
email: ODOTFuelsTax@odot.state.or.us

COMPANY INFORMATION

COMPANY NAME	FEIN	ODOT REGISTRY NUMBE	TAX REPORT PERIOD	☐ AMENDMENT
Biofuel Maker	12-5617489	678910	Jan-15	

ADDRESS	CITY	STATE	ZIP CODE	NAME & TITLE OF PREPARER
Terminal Way	Portland	OR	97200	

SUMARY OF SCHEDULE INVENTORY	ETHANOL	B-20 USD COOKING OIL	ALL OTHER BIODIESEL
1. BEGINNING INVENTORY		6,000	2,000
2. GALLONS PRODUCED		50,000	0
3. SALES FROM DISBURSEMENT SCHEDULES (SCHEDULE 6 AND 7)		35,900	1,000
4. GAIN (-) OR LOSS (+)		100	0
5. ENDING PHYSICAL INVENTORY	0	20,000	1,000
PRODUCT 160 -- DIESEL UNDYED USED IN PRODUCTION			
6. DIESEL RECEIPTS (SCHEDULE 2)			163,300

SIGNATURE

CERTIFICATION OF REGISTRANT: I HEREBY CERTIFY THAT THIS REPORT, INCLUDING THE ACCOMPANYING SCHEDULES AND STATEMENTS, IS A FULL, TRUE, AND COMPLETE REPORT OF THE NUMBER OF GALLONS OF "FUEL" AS DEFINED BY ORS 319.520 HANDLED DURING THE REPORT PERIOD.

NOTE: THIS REPORT MUST BE SIGNED BY A PRINCIPAL OFFICER OR BY AN AUTHORIZED AGENT WHEN MADE BY A CORPORATION, AND BY THE MANAGING AGENT OR OWNER WHEN MADE BY A FIRM OR ASSOCIATION. AN INDIVIDUAL IS REQUIRED TO SIGN HIS OR HER OWN REPORT.

SIGNATURE	PRINT NAME	TITLE	DATE

FORM 734-2927 (JAN-15) **MAKE CHECKS PAYABLE TO OREGON DEPARTMENT OF TRANSPORTATION**

The supporting schedules for the Detail Schedule of Inventory, purchases of clear diesel for blending, and sales to customers (both within Oregon and out of state) are included with the 'front page' of the producer report.

In this simplified example, the Detail Schedule of Inventory does not provide much additional information from the front page of the Producer report. Biodiesel made from Used Cooking Oil is being produced/stored in two plants or tank locations. These figures are combined and reported together in the B20 column on the front page of the report.

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DETAIL SCHEDULE OF INVENTORY

COMPANY INFORMATION

COMPANY NAME	FEIN	ODOT REGISTRY NUMBER	TAX REPORT PERIOD
Biofuel Maker	12-5617489	678910	Jan-15

	PLANT	UCO Diesel A	UCO Diesel B	Soy Diesel		
	PRODUCT CODE	B20	B20	170		
	PERCENT BIODIESEL OR ETHANOL	99	99	99		
LINE 1	BEGINNING INVENTORY	6,000	0	2,000		
LINE 2	GALLONS PRODUCED	20,000	30,000	0		
LINE 3	SALES (FROM DISBURSEMENT SCHEDULES)	15,900	20,000	1,000		
LINE 4	GAIN (-) OR LOSS (+)	100				
LINE 5	ENDING PHYSICAL INVENTORY	10,000	10,000	1,000	0	0
	PLANT					
	PRODUCT CODE					
	PERCENT BIODIESEL OR ETHANOL					
LINE 1	BEGINNING INVENTORY					
LINE 2	GALLONS PRODUCED					
LINE 3	SALES (FROM DISBURSEMENT SCHEDULES)					
LINE 4	GAIN (-) OR LOSS (+)					
LINE 5	ENDING PHYSICAL INVENTORY	0	0	0	0	0

The schedule 2 details the purchases of clear diesel used for blending with the biodiesel produced. Many producers may sell the biodiesel and/or ethanol to customers directly as B99 or E99 and the customer will blend with diesel for resale.

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BIODIESEL AND ETHANOL
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SCHEDULE 2 -- RECEIPTS

COMPANY INFORMATION

COMPANY NAME	FEIN	ODOT REGISTRY NUMBER	TAX REPORT PERIOD	PRODUCT CODE
Biofuel Maker	12-5617489	678910	Jan-15	160

(1) CARRIER NAME	(2) CARRIER FEIN	(3) MODE	(4) POINT OF ORIGIN	(5) POINT OF DESTINATION	(6) SUPPLIER NAME	(7) SUPPLIER FEIN	(8) DATE RECEIVED	(9) DOCUMENT NUMBER	(10) NET GALLONS	(11) GROSS GALLONS	(12) BILLED GALLONS
								TOTAL	162,273.0	163,300.0	163,300.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/5/2015	BL151056	24,452.0	25,600.0	25,600.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/9/2015	BL151091	15,474.0	15,500.0	15,500.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/13/2015	BL151135	22,705.0	22,800.0	22,800.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/15/2015	BL151152	19,630.0	19,700.0	19,700.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/15/2015	BL151155	19,630.0	19,700.0	19,700.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/20/2015	BL151203	16,889.0	16,500.0	16,500.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/23/2015	BL151239	17,413.0	17,450.0	17,450.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/26/2015	BL151264	15,730.0	15,750.0	15,750.0
Common Carrier		J	Portland	Portland	Use Fuel Supplier	18-6543278	1/29/2015	BL151298	10,350.0	10,300.0	10,300.0

Schedule 6 – Ex-Tax Sales

In this example, our producer primarily sells to one Use Fuel Seller in the Portland area, who in turn delivers to their own stations and their customers. Their product of choice is B20 made from Used Cooking Oil

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BIODIESEL AND ETHANOL
PRODUCER REPORT

SCHEDULE 6 – Ex-TAX SALES

COMPANY INFORMATION

COMPANY NAME	FEIN	LICENSE NUMBER	TAX REPORT PERIOD	SCHEDULE CODE	% BIODIESEL/ETHANOL
Biofuel Maker	12-5617489	678910	Jan-15	6	B20 (UCO)

(1) CARRIER NAME	(2) CARRIER FEIN	(3) MODE	(4) POINT OF ORIGIN	(5) POINT OF DESTINATION	(6) BUYER NAME	(7) BUYER FEIN	(8) DATE SHIPPED	(9) DOCUMENT NUMBER	(10) BILLED GALLONS
								TOTAL	179,500.0
Common Carrier		J	Portland	Portland OR	Sample Seller	68-3872381	1/6/2015	BL151066	32,000.0
Common Carrier		J	Portland	Salem OR	Sample Seller	68-3872381	1/9/2015	BL151093	19,375.0
Common Carrier		J	Portland	Eugene OR	Sample Seller	68-3872381	1/13/2015	BL151137	28,500.0
Common Carrier		J	Portland	Portland OR	Sample Seller	68-3872381	1/16/2015	BL151161	24,625.0
Common Carrier		J	Portland	Portland OR	Sample Seller	68-3872381	1/20/2015	BL151205	20,625.0
Common Carrier		J	Portland	Eugene OR	Sample Seller	68-3872381	1/22/2015	BL151222	21,813.0
Common Carrier		J	Portland	Salem OR	Sample Seller	68-3872381	1/27/2015	BL151274	19,687.0
Common Carrier		J	Portland	Wilsonville OR	Sample Seller	68-3872381	1/30/2015	BL151308	12,875.0

Schedule 7 – Exports from Oregon

Our sample producer also sold fuel (regular 5% biodiesel) to a customer in Washington

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BIODIESEL AND ETHANOL
PRODUCER REPORT

SCHEDULE – EXPORT SALES

COMPANY INFORMATION

COMPANY NAME	FEIN	LICENSE NUMBER	TAX REPORT PERIOD	SCHEDULE CODE	% BIODIESEL/ETHANOL
Biofuel Maker	12-5617489	678910	Jan-15	7	5

(1) CARRIER NAME	(2) CARRIER FEIN	(3) MODE	(4) POINT OF ORIGIN	(5) POINT OF DESTINATION	(6) BUYER NAME	(7) BUYER FEIN	(8) DATE SHIPPED	(9) DOCUMENT NUMBER	(10) BILLED GALLONS
								TOTAL	20,700.0
Common Carrier		J	Portland	Rainier WA	Outta State	99-5873614	1/17/2015	BL151176	20,700.0

To check that all fuel was accounted for, you can confirm the amounts reported on the schedules:

Fuel deliveries from schedules 6 and 7– 179,500 gallons plus 20,700 gallons totals 200,200 gallons sold

Fuel disbursements from inventory 35,900 gallons plus 1,000 gallons equals 36,900 gallons of biofuel. Add the 163,300 purchased for blending, and that totals 200,200 gallons – the number of gallons sold to customers.

RECORD KEEPING AND DOCUMENTATION

Biodiesel and Ethanol Producers will report on a calendar month. All records are to be maintained using a calendar month. Records of biodiesel and ethanol produced, and fuel products purchased, blended, and delivered are to be organized by month. Records will include but are not limited to the following:

- Receipt, production, and distribution records for biodiesel and ethanol
- Receipt and distribution records for petroleum products
- Beginning and ending inventory for all storage tanks
- Carrier information for receipts and deliveries
- Supplier information for receipts
- Customer information for distributions
- Records of sales and withdrawals of fuel, by fuel type
- Destination for delivery of products (physical address if within the state; city and state if exported from the state)
- Fuel Type and gallons transported
- Any other documents used or maintained to prepare the Registered Biodiesel and/or Ethanol Producer Report

TERMINOLOGY AND DEFINITIONS

ADDITIVES: Any chemical or product added to gasoline typically to improve or enhance characteristics of the product.

AIRCRAFT FUEL: Any gasoline and any other inflammable or combustible gas or liquid by whatever name such gasoline, gas or liquid is known or sold, usable as fuel for the operation of aircraft, except gas or liquid, the chief use of which, as determined by the Department of Transportation is for purposes other than the propulsion of aircraft.

AVIATION GASOLINE: Special grades of gasoline prepared for aircraft reciprocating engines (typically aviation gasoline is used to propel smaller aircraft that do not use jet fuel).

BLENDING: The mixing together by any process whatsoever, of any one or more products with other products, and regardless of the original character of the products so blended, provided the resultant product so obtained is suitable or practicable for use as a motor vehicle fuel, except such blending as may occur in the process known as refining by the original refiner of crude petroleum. The commingling of products during transportation in a pipeline is not considered blending.

BILL OF LADING: The document issued at the terminal which completely identifies the product(s) and quantities loaded and the parties to the transaction.

BULK PLANT / BULK STORAGE FACILITY: Receiving and distributing facility for petroleum products (commonly includes truck loading rack(s), product receiving capabilities and storage tanks or other warehousing facilities for petroleum products).

CARRIER: The transportation company or entity hauling the product.

ETHANOL: Alcohol (ethanol is typically the product blended with gasoline to oxygenate the fuel, increase octane and to improve engine emissions).

ETHANOL GASOLINE: Gasoline that has been blended with ethanol to produce an ethanol blended gasoline - A combination of ethanol and gasoline.

EXPORTS: Fuel or other petroleum products delivered from within Oregon to a location outside the state. Whether fuel is considered exported by the seller or the purchaser depends on when transfer of the ownership of the product occurs.

EX-TAX: Includes motor vehicle fuel, aircraft fuel, or use fuel on which no Oregon tax has been paid.

FUEL TYPE: Reportable petroleum products. See the list on page 5 for products and codes.

IMPORTS: Fuel or other petroleum products delivered into Oregon from a location outside the state. Whether the fuel is considered imported by the seller or purchaser depends on when transfer of the ownership of the product occurs.

JET FUEL: Kerosene type fuels or blends of gasoline, distillates and residual oils used as fuel for gas turbine powered aircraft (jet engine powered aircraft).

MOTOR VEHICLE FUEL: Gasoline and any other inflammable or combustible gas or liquid, by whatever name such gasoline, gas or liquid is known or sold, usable as fuel for the operation of motor vehicles, except gas or liquid, the chief use of which, as determined by the Department of Transportation, is for purposes other than the propulsion of motor vehicles upon the highways of this state.

NATURAL GAS (CNG or LNG): Compressed Natural Gas (CNG) or Liquefied Natural Gas (LNG) are other forms of Use Fuel. CNG/LNG is not taxed unless it is put into a motor vehicle.

OREGON MOTOR VEHICLE FUEL DEALER: An entity or person who:

(1) Imports or causes to be imported motor vehicle fuels or aircraft fuels for sale, use or distribution in, and after the same reaches the State of Oregon.
(2) Produces, refines, manufactures or compounds motor vehicle fuels or aircraft fuels in the State of Oregon for sale, use or distribution in Oregon.
(3) Acquires in Oregon for sale, use or distribution in Oregon motor vehicle fuels or aircraft fuels with respect to which there has been no license tax previously incurred.
(4) Acquires title to or possession of motor vehicle fuels or aircraft fuels in Oregon and exports the product out of this state.

PROPANE: Propane is another form of Use Fuel that only becomes taxable if it is put into the fuel tank of a motor vehicle.

REBRAND: To change a non-taxable product to a taxable product, or to change a taxable product to a non-taxable product.

REGISTERED FUEL HANDLER: includes but is not limited to fuel transporters, biodiesel producers, ethanol producers, and terminal operators who handle fuel products. It does not include dealers in Motor Vehicle Fuel or Use Fuel Sellers licensed by the state of Oregon.

TAX-PAID: Product on which the Oregon tax has been paid.

USE FUEL: By statute, Use Fuel is defined as any combustible gas, liquid or material of a kind used for the generation of power to propel a motor vehicle on the highways except motor vehicle fuel as defined in ORS 319.010. For practical purposes, it is anything other than gasoline (Motor Vehicle Fuel) used to propel vehicles on public roads. The most common Use Fuel is diesel, but also includes propane, compressed natural gas (CNG), liquefied natural gas (LNG), bio-diesel, and any other product that can be used to operate the engine of a motor vehicle.

WITHIN OREGON TRANSFERS: Product that is transferred from one bulk storage facility located in Oregon to another bulk storage facility located in Oregon.

CONTACT INFORMATION

For additional information or questions not addressed in the instructions provided, please contact us:

FOR GENERAL CORRESPONDENCE
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Fuels Tax Group – MS21
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Salem OR 97301-3871

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Fax	(503) 378-3060
E-mail	ODOTFuelsTax@odot.state.or.us
Website	http:fuelstax.oregon.gov/

For direct numbers to specific staff members, please see our website.

MAIL REPORTS AND PAYMENTS TO
Oregon Department of Transportation
Fuels Tax Group unit 06
P O Box 4395
Portland OR 97208-4395

NOTE: Through the instructions in this guide, the Fuels Tax Group has attempted to completely and correctly advise licensees on proper compliance including tax report completion and record keeping requirements. This guide is not intended to replace or change Oregon Revised Statute 319 or any Administrative Rule. We have made our best effort to address all types of reporting situations, however, due to changing technology or unusual circumstances, it is possible that a licensee may receive special instructions from an auditor intended to address *only that special situation*.