

810-8-1-.02 Application of Excise Tax on Blendstocks.

(1) Blended fuel, as defined in Section 40-17-322(6), Code of Alabama 1975, is a mixture composed of gasoline or diesel fuel and any other liquid that can be used as a motor fuel in a highway vehicle. Therefore, blendstocks, as defined under Section 4081, Title 26 of the United States Code, not used to produce a finished motor fuel that can be used in a highway vehicle is not taxable under Section 40-17-326, Code of Alabama 1975. The excise tax applies when blendstocks are blended with gasoline or diesel fuel.

(2) If the blendstocks are blended with gasoline or diesel fuel below the rack and imported into Alabama, then the excise tax applies at the time the blended product is imported into Alabama in accordance with Section 40-17-326(b).

(3) If the blendstocks are blended with gasoline or diesel fuel in this state outside the bulk transfer terminal system, then the blender is required to pay the tax in accordance with Section 40-17-326(d).

(4) In accordance with Section 40-17-332(g), Code of Alabama 1975, blenders are required to obtain a blender's license.

(5) Any person who engages in business for which a blender's license is required without obtaining a blender's license may be subject to civil penalties in accordance with Section 40-17-351, Code of Alabama 1975.

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Authority: Sections 40-2A-7(a)(5), 40-17-322 and 40-17-326, Code of Alabama 1975.

History: New rule: Filed October 27, 2014, effective December 1, 2014.