

May 21, 2015

(Updated September 21, 2023)

Notice of Requirements

The purpose of this notice is to provide guidance to suppliers and restricted distributors on the sales of aviation fuel and racing fuel.

Aviation Fuel Receipt and Distribution Reporting

Per A.R.S. §28-101.9. "Aviation fuel" means all flammable liquids composed of a mixture of selected hydrocarbons expressly manufactured and blended for the purpose of effectively and efficiently operating an internal combustion engine for use in an aircraft but does not include fuel for jet or turbine powered aircraft.

Tax Rate:

The aviation fuel tax rate is \$0.05 per gallon. If it is sold for use in an engine other than an aircraft, it is considered to be a motor vehicle fuel and shall be taxed at the motor vehicle fuel tax rate of \$0.18 per gallon.

Sales of aviation fuel by a supplier or restricted distributor to airports, suppliers, restricted distributors, or federal agencies, shall be subject to the aviation fuel tax rate of \$0.05 per gallon.

Sales of aviation fuel by a supplier or restricted distributor to persons, other than airports, suppliers, restricted distributors, or federal agencies, who declare, by signature on a signed document maintained by the supplier, or restricted distributor, the use of aviation fuel will be in aircraft only, will be permitted to purchase aviation fuel taxed at \$0.05 per gallon.

Reporting:

Per A.R.S. §28-5618. Report requirements:

A. On or before the twenty-seventh day of each month, a supplier shall file with the director a true and verified statement in a form prescribed by the director showing:

1. The total number of gallons of motor vehicle fuel or aviation fuel, blended, imported, exported or acquired during the preceding calendar month.
2. The number of gallons of motor vehicle fuel or aviation fuel sold or otherwise disposed of by the supplier for use in each of the several counties of this state.
3. The total number of gallons of motor vehicle fuel that is included in this subsection and that is intended for use in aircraft.
4. Other information the director requires.

Aviation Fuel Used as Motor Vehicle Fuel:

Sales of aviation fuel by a supplier to retail gas stations, not associated with an airport, shall collect the motor vehicle fuel tax.

Sales to the U.S. Government for use in U.S. government owned aircraft are subject to the aviation fuel tax rate and not the motor vehicle fuel tax rate, regardless of where the sale is performed.

If a supplier purchases aviation fuel from another supplier or a restricted distributor and then sells it as motor vehicle fuel, the supplier shall report the change in fuel type and pay the difference in tax collected (\$0.18) from the tax paid (\$0.05) on the monthly supplier report by reducing the aviation fuel tax of \$0.05 per gallon and increasing the motor vehicle fuel tax of \$0.18 per gallon on the respective tax due schedules.

Records:

A supplier or restricted distributor is required to maintain records of all sales of aviation fuel and copies of all declarations for at least three years.

Motor Vehicle Fuel used in Aircraft:

If a person purchases motor vehicle fuel and uses the fuel for aviation purposes, the person may request a refund of the \$0.13 difference from ADOT. The following two refund forms are used:

- 1) Motor Vehicle/Aviation Fuel Refund Application:
[96-0466 - Motor Vehicle/Aviation Fuel Refund Application](#)
- 2) Aviation Fuel Log Summary Schedule:
[96-0466B - Aviation Fuel Log Summary Schedule](#)

Racing Fuel Receipt and Distribution Reporting

Per A.R.S. §28-101.51. "Motor vehicle fuel" includes all products that are commonly or commercially known or sold as gasoline, including casinghead gasoline, natural gasoline and all flammable liquids, and that are composed of a mixture of selected hydrocarbons expressly manufactured and blended for the purpose of effectively and efficiently operating internal combustion engines.

Motor vehicle fuel does not include inflammable liquids that are specifically manufactured for racing motor vehicles and that are distributed for and used by racing motor vehicles at a racetrack, use fuel as defined in section 28-5601, aviation fuel, fuel for jet or turbine powered

aircraft or the mixture created at the interface of two different substances being transported through a pipeline, commonly known as transmix.

Tax Rate:

Racing fuel is not subject to motor vehicle fuel taxes if it is distributed for and used by racing motor vehicles at a racetrack.

Sales of racing fuel by a supplier or restricted distributor (RD) to a racetrack, other suppliers, other restricted distributors, or to persons who declare, by signature on a signed document maintained by the supplier, or restricted distributor, the use of racing fuel will be for racing vehicles at a racetrack, is *not subject to motor vehicle fuel taxes*.

If the sale by a supplier is to a customer that is not a licensed supplier or RD, and who cannot or will not declare that the purchase of the racing fuel will be used in a racing motor vehicle at a motor race track, the supplier shall charge the \$0.18 per gallon motor vehicle fuel tax rate. Restricted distributors are not permitted to conduct such transactions.

Sales of racing fuel by a supplier to retail gas stations shall collect the motor vehicle fuel tax of \$0.18 per gallon. Restricted distributors are not permitted to sell racing fuel to gas stations.

Reporting:

Per A.R.S. §28-5618. Report requirements:

A. On or before the twenty-seventh day of each month, a supplier shall file with the director a true and verified statement in a form prescribed by the director showing:

1. The total number of gallons of motor vehicle fuel or aviation fuel, blended, imported, exported or acquired during the preceding calendar month.
2. The number of gallons of motor vehicle fuel or aviation fuel sold or otherwise disposed of by the supplier for use in each of the several counties of this state.
3. The total number of gallons of motor vehicle fuel that is included in this subsection and that is intended for use in aircraft.
4. Other information the director requires.

Records:

A supplier or restricted distributor is required to maintain records of all sales of racing fuel and copies of all declarations for at least three years.