

**Florida Department of Revenue
Tax Information Publication**

TIP 03B05-01

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BIODIESEL FUEL

Effective July 1, 2003, the Department of Revenue will administer sales of biodiesel fuel in the same manner as the Department currently administers sales of diesel fuel.

Biodiesel is manufactured using non-petroleum base oils, fats, or greases to produce an end product that is suitable for use in diesel-powered engines. Biodiesel manufacturers are those industrial plants, regardless of capacity, where non-petroleum oils, fats, or greases are used to produce biodiesel, and includes all businesses that process or blend non-petroleum oils, fats, or greases into products that are marketed as biodiesel.

Any person who manufactures biodiesel in this state is required to file form DR-156, Florida Fuel Tax Application, and obtain a Wholesaler's License prior to engaging in business in Florida.

Any person importing undyed biodiesel into Florida is required to file the same application (form DR-156) and obtain an Importer's License prior to importing undyed biodiesel into this state. A person importing undyed biodiesel is further required to be licensed as a wholesaler. There is a \$30 application fee for each license, and each applicant shall file with the Department a bond in a penal sum of not more than \$100,000.

The sale of undyed biodiesel fuel from a facility that is registered with the Internal Revenue Service as a terminal will be subject to the taxes imposed by Section 206.87(1), Florida Statutes (F.S.), in the same manner as petroleum diesel. The importation or production of biodiesel outside the terminal system will be taxable upon receipt in Florida. The use of undyed biodiesel for a purpose other than for the propulsion of a diesel-powered motor vehicle shall be subject to the refund of

fuel taxes paid. Such use shall, however, subject the product to sales or use tax under Section 212.0501, F.S. Refunds may be obtained by filing form DR-309639, Application for Refund, with the Department.

The sale of dyed biodiesel fuel shall be subject solely to sales or use tax imposed by Section 212.0501, F.S., except for dyed biodiesel purchased by counties, municipalities, school districts, and mass transit systems licensed as Local Government Users.

References: Chapter 206, Florida Statutes; Sections 336.021 and 336.025, Florida Statutes.

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 (Florida only), or 850-488-6800.

Hearing- or speech-impaired persons should call our TDD at 800-367-8331 or 850-922-1115.

For a detailed written response to your questions, write the Florida Department of Revenue, Taxpayer Services, 1379 Blountstown Highway, Tallahassee, FL 32304-2716.

To receive a fax copy of a form, call 850-922-3676 from your fax machine telephone.