

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-010 Definitions. (1) "Certified user" means any person other than a distributor who (~~is certified to acquire~~) holds an Aircraft Bulk Fuel Exemption certificate to purchase aircraft fuel without payment of the aircraft fuel tax (~~at time of acquisition~~).

(2) "Private, nonstate funded airfield" means an airport not eligible to receive state funding under chapter 47.68 RCW.

(3) "Emergency medical air transport entities" means entities that own or lease, and operate aircraft used solely for air ambulance services.

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-020 Bond requirements and collection. (1) **Are bonds required for aircraft fuel distributors?** Yes, every aircraft fuel distributor must be bonded as provided in (~~chapter 82.36 RCW and~~) chapter 82.42 RCW.

(2) **What action can the department take to collect (~~on bonds for~~) unpaid aircraft fuel (~~taxes~~) tax?** (~~Yes,~~) The department may:

- Issue a notice of assessment;
- Revoke license;
- File tax liens or warrant;

• Execute bonds on file under the provisions of chapter(~~s 82.36 and~~) 82.42 RCW (~~for unpaid aircraft fuel taxes~~).

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-030 (~~Required reports.~~) Agencies sharing tax return information. (~~(1) What reports are required by the department for aircraft fuel tax and when are they due?~~ Every licensed distributor of aircraft fuel will submit signed tax returns and schedules to the department, on or before the 25th day of each month, or as required by the department. Forms will be furnished or approved by the department.

(2) **What if the payment due date falls on a Saturday, Sunday, or state legal holiday?** Payment is due by the state business day immediately preceding the due date. For example, if the payment due date falls on Saturday, you must transfer the funds by Friday.

(3) **Is a report due if I have no activity for the month?** Yes, a report must be filed with the department for each calendar month.

(4) **Can) Will tax return information be (~~made available to~~) shared with other government agencies?** Yes, the department routinely (~~furnishes~~) provides copies of schedules to government agencies or foreign jurisdictions.

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-035 What is the minimum ((payment or)) refund((-)) amount? ~~((1) What is the minimum payment or refund for licensed accounts?~~ Ten dollars or less will not be owed or refunded.

~~(2) What is the minimum refund for unlicensed refund claims?~~ Claims for less than twenty dollars will not be refunded.) The minimum refund amount for both licensed and unlicensed accounts is twenty dollars.

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-045 Tax exempt use and circumstances. (1) ~~((What are the conditions under which a))~~ When can an aircraft fuel tax refund ((of aircraft fuel tax can)) be claimed? When fuel is:

(a) ~~((Operation of aircraft))~~ Used by air carriers, supplemental air carriers, and foreign flag carriers, operating under the Federal Aviation Administration Regulations, and local service commuters.

(b) Used for testing and experimental purposes in the manufacture or ~~((remanufacture))~~ repair of aircraft ~~((and for)), including flight operations ((or experimental testing following manufacture, repair prior to delivery to a customer, or experimental testing of another aircraft))~~.

(c) Used in aircraft crew training in Washington state for certified air carriers.

(d) ~~((When applying))~~ Used to apply pesticides, herbicides, or other agricultural chemicals ~~((under conditions defined in RCW 82.42.020))~~.

(e) ~~((Exportation of fuel))~~ Exported from this state for use outside this state ~~((under the same conditions as provided for the refund of motor vehicle fuel in chapter 82.36 RCW and special fuel in chapter 82.38 RCW))~~.

(f) ~~((Use of fuel))~~ Used in nonhighway equipment, other than aircraft ~~((, as provided for the refund of motor vehicle fuel in chapter 82.36 RCW and special fuel in chapter 82.38 RCW))~~.

(g) ~~((Sales to the United States or foreign government agencies by a distributor who has paid the aircraft fuel tax. The distributor will file an exemption certificate provided by the department. This certificate will contain an assignment to the distributor of the purchaser's right to a refund.))~~ Sold with taxes to the United States or foreign government agencies.

(h) ~~((Users of aircraft fuel placed into))~~ In helicopters or ~~((the wing tanks of))~~ aircraft that are used solely for air ambulance services ~~((are eligible for a refund of the aircraft fuel tax. Aircraft fuel consumed during))~~ or for training activities directly related to ~~((providing air ambulance))~~ these services ~~((is considered to be exempt from the aircraft fuel tax))~~. For aircraft, the fuel must be placed directly into the wing tanks.

(2) **What records must be kept when claiming an exemption of aircraft fuel tax?** Each person must keep records of each flight or series of flights for which tax exempt use is claimed. Records will include:

- (a) Flight or block time of each flight or series of flights;
- (b) Type of aircraft;
- (c) Purpose of each flight or series of flights;
- (d) Dates; and
- (e) Gallons consumed for each flight or series of flights.

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WAC 308-78-070 Records. ~~((1) What aircraft fuel records must be kept?~~ Every person licensed or required to be licensed must maintain a complete monthly stock summary of the gallons of aircraft fuel reflecting inventories, receipts, sales, use, other distribution, and loss or gain. The stock summary must be supported by:

- ~~(a) Physical inventories of bulk storage plants taken at the close of each calendar month.~~
- ~~(b) Meter readings taken at the close of each calendar month for pumps through which fuel is dispensed.~~
- ~~(c) A record of fuel receipts, invoices, bills of lading, transfer documents, yield reports, and other documents relative to the acquisition of fuel.~~
- ~~(d) A record of fuel disbursements, invoices, bills of lading and other documents relative to the disbursement of fuel.~~

~~(2))~~ **How long must I ((retain)) keep my records?** ~~((Records will be maintained and kept for a period of not less than five years in their original form. The department may make such examinations of the records, facilities, equipment, and aircraft of distributors, certified users and consumers of aircraft fuel as necessary in carrying out the provisions of this chapter.))~~ Licensees must keep records for at least five years from the reporting period. Refund claimants must keep records for at least five years from the filing date.

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-075 Invoices issued by licensees. (1) **When is an invoice issued?** Every licensee must issue an invoice at the time of sale. ~~((If an electronic invoice is issued, a paper copy of the invoice is required to support a refund claim.))~~

(2) **What information is required on an invoice?**

- (a) The name and address of the seller;
- (b) The name~~((,))~~ and address~~((, and aircraft fuel tax number, if applicable,))~~ of the purchaser ~~((for all deliveries other than those made directly into the aircraft fuel tanks of unlicensed exempt carriers));~~
- (c) The date of delivery, month, day, and year;
- (d) The location of the point of shipment. Alphanumeric codes are ~~((not))~~ allowed if the definition keys are provided to the department;
- (e) The physical address of the fuel delivery or exchange if different than the purchaser address, including the name of the state,

Canadian Province, or foreign country. Alphanumeric codes are not allowed;

(f) In the case of a delivery onto a federally recognized Indian reservation or into Indian country, the invoice must identify the state, U.S. possession, or Canadian Province (~~(in which)~~) where the delivery took place;

(g) Name of carrier transporting fuel;

(h) Name of product sold;

(i) The number of U.S. gallons of product sold in (~~(net or gross)~~) billed gallons;

(j) The price per gallon and the total amount charged; and

(k) A statement on the invoice indicating if the fuel has been sold without the Washington state fuel tax.

(3) **What happens if a purchaser's invoice is lost or destroyed?** The seller can issue a duplicate or copy containing all information on the original invoice, if requested by the purchaser. The copies must be plainly marked "copy" or "duplicate."

(4) **What happens if an incorrect invoice is issued to the purchaser?** The seller must issue a corrected invoice to the purchaser. The invoice must clearly indicate that it is a corrected invoice and reference the original invoice.

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-080 Filing of refund claims for nonlicensees. (1) **How do I apply for a refund (~~(for aircraft fuel)~~)?** Contact the department for a refund permit application and instructions or sign up electronically.

(2) **What time period can I file for a refund?** You must file within thirteen months of the fuel purchase date. The department will use the postmark date to determine (~~(the thirteen-month time frame)~~) eligibility. We will not accept multiple refund claims for the same month. For example, if you (~~(have)~~) made a claim for purchases in June you (~~(cannot)~~) could not claim additional purchases for June on another claim form.

(3) **What do I need to send with my refund claim?** You must (~~(send in)~~) include your fuel purchase invoices, schedules, and other documents listed on the refund claim form. (~~(If electronic invoices were issued, you must provide paper copies.)~~)

(4) **How do I account for my inventory?** Any fuel on hand(~~(τ)~~) by physical measurement(~~(τ)~~) at the end of the claim period, should be reported as ending inventory. This figure (~~(should)~~) must be reported as the beginning inventory on your next claim form.

(5) (~~(What does a licensed distributor send with their refund claim? Summary schedules must be provided and the department may request invoices.~~)

(~~(6) The following~~) **Who can sign a refund claim form(~~(τ)~~)?**

(a) Individuals - Permit holder;

(b) Partnership - Any one of the partners;

(c) Business firm or corporation - Owner, corporate officer, or other authorized agent.

(~~(τ)~~) (6) **Can (~~(invoices have a different name than what is on the claim form)~~) I claim a refund using another person's invoices?** No.

~~((+8))~~ **(7) Can I request that my refund be assigned to another person?** Yes ~~((, if we receive a letter stating whom))~~. You must submit a written request naming the person you would like ~~((the claim assigned))~~ to receive the refund.

~~((+9))~~ **(8) How long will it take ~~((until I receive))~~ to process my refund?** Within thirty business days after we receive a properly ~~((completed))~~ submitted claim.

(9) How long do I maintain my refund records? Keep them for five years after submitting your claim.

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-090 Mitigation of penalties and interest. (1) **What fee, penalty or interest may be mitigated or reduced?** The department may mitigate fees, penalties, or interest from:

- Late or missing fuel tax returns;
- Unpaid or underpaid taxes;
- Incomplete records to support reported fuel usage;
- License reinstatement fee; or
- Assessments.

(2) **How will the department make the decision?** The department may review records, account history, or other information.

AMENDATORY SECTION (Amending WSR 09-07-077, filed 3/16/09, effective 4/16/09)

WAC 308-78-100 Dishonored checks. (1) **What will happen if my check is dishonored?** The department will take collection action to recover any amounts owing and require all subsequent payments to be made in ~~((guaranteed funds, such as))~~ cash, cashier's check, or money order.

(2) **Are there any additional fees charged for a dishonored check?** Yes, a handling fee will be charged by the department for each dishonored check.

REPEALER

The following section of the Washington Administrative Code is repealed:

WAC 308-78-040 Tax exempt sales by licensed distributors.