Rules of
Department of Revenue
Division 10—Director of Revenue
Chapter 6—Motor Vehicle Fuel Tax

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12 CSR 10-6.010 Revocation of Private Rulings
(Rescinded July 30, 2018)

AUTHORITY: section 142.300, RSMo 1986.
Regulation 10-101 was filed Dec. 31, 1975,
26, 2018, effective July 30, 2018.

12 CSR 10-6.020 Bonding Requirements

PURPOSE: This rule establishes procedures
d Whereby the director may reject surety bonds
issued by an insurance company suspended
by the Missouri Division of Insurance. The
rule also sets forth that the director can
require that a new bond shall be posted if the
taxpayer has a surety bond issued by a sus-
pended surety company.

(1) When applying for a motor fuel/special
fuel license, a cash or surety bond must be
submitted with the application. Surety bonds
must be executed on a form provided by the
department. The director shall maintain a list
of approved surety companies licensed to do
business in this state.

(2) Those surety companies not complying
with chapter 142, RSMo, or which unreason-
able fail to pay or otherwise provide for pay-
ment, within sixty (60) days after receipt of
written notification of the licensees becoming
delinquent in payment of tax, fees, penalty or
interest, are subject to removal from the list
of authorized surety companies and no future
bonds will be accepted until such time as the
director reinstates the surety company.

(3) Prior to the suspension of the authority
of a surety company, written notification shall
be sent via certified mail to the surety com-
pany of the impending suspension. If a writ-
ten response is not received within ten (10)
days stating a good cause why the suspension
should not be implemented, the suspension
shall be implemented and the surety will
remain suspended until such time the restitu-
tion is made or the surety company is rein-
statement at the discretion of the director.

(4) The department shall require all licensees
bonded with a surety company whose license
to do business in Missouri has been suspend-
ed by the Division of Insurance, to obtain a
new surety bond with a company whose
license is in good standing with the Missouri
Division of Insurance.

(5) All motor fuel/special fuel accounts
(licensed under chapter 142, RSMo) with
surety bonds issued by a suspended surety
company are required to replace each bond
within sixty (60) days for motor fuel licensees
and thirty (30) days for special fuel licensees
from the date of notification by the director.

AUTHORITY: sections 142.300 and 142.621,
RSMo 1986. Regulation 10-100 was filed Nov.
6, 1975, effective Nov. 16, 1975. Amended:

12 CSR 10-6.030 Motor Fuel Bond Trust
Fund

PURPOSE: Section 142.896, RSMo, creates
the Motor Fuel Bond Trust Fund as an alter-
native to posting a surety bond, cash bond,
certificate of deposit, or letter of credit for
qualifying distributors. This rule sets the rate
for contributions made to the fund and the
minimum/maxmum amount the fund may
contain.

(1) In general, all distributors must post a
bond with the department. In lieu of posting
a surety bond, cash bond, certificate of
deposit or letter of credit, a qualifying dis-
tributor may contribute to the Motor Fuel
Bond Trust Fund, at the rate prescribed by
this rule.

(2) Definition of Terms.
(A) Distributor—any person required by
section 142.893, RSMo, to obtain a distribu-
tor’s license.
(B) Qualifying distributor—a distributor
that met all the requirements for participating
in the Motor Fuel Bond Trust Fund prior to
the effective date of this rule, or that com-
pletes three (3) consecutive years of satisfac-
tory tax compliance.
(C) Satisfactory tax compliance—the act of
filing all reports and making all payments in
the time and manner prescribed by Chapter
142, RSMo.
(D) When the fund reaches the maximum,
participating distributors are not required to
make additional contributions to the fund
until the fund is reduced to five hundred
thousand dollars ($500,000), at which time
the contributions will be reinstituted.
(E) A qualifying distributor must pay into
the fund for a minimum of one (1) year after
it elects to participate even if the fund has
reached the one (1)-million dollar cap.

(4) Examples.
(A) A qualifying distributor imports
500,000 gallons of gasoline into Missouri on
a monthly basis. Instead of purchasing a sure-
ity bond for three times the monthly liability,
the distributor chooses to contribute to the
Motor Fuel Bond Trust Fund. The monthly
contribution required is $1,200 ($500,000 ×
$.0024).
(B) A qualifying distributor purchases
100,000 gallons of aviation gasoline for sale
in Missouri on a monthly basis. Instead of
providing a letter of credit for three times the
monthly liability, the distributor chose to
contribute to the Motor Fuel Bond Trust
Fund. The monthly contribution required is
$130 (100,000 × $.0013).
(C) A qualifying distributor that has previ-
ously posted a cash bond chooses to partici-
 cate in the Motor Fuel Bond Trust Fund. At
the time the distributor makes the election to
participate in the fund, the fund contains one
million dollars and participating distributors
are not making contributions. As a newly
participating distributor, the distributor must
make contributions for at least one year even
though the fund has reached the maximum.

AUTHORITY: sections 142.896.3 and
142.953, RSMo 2000.* Original rule filed

*Original authority: 142.896, RSMo 1998, amended 1999
and 142.953, RSMo 1998.

12 CSR 10-6.100 Motor Fuel Tax
Exemption for Operators of Public Mass
Transportation Service

PURPOSE: Section 142.817, RSMo exempts
operators of public mass transportation ser-
vice from motor fuel tax. This rule explains
how the exemption is to be claimed.

(1) In general, fuel used to operate public
mass transportation services is not subject to
Missouri motor fuel tax. Fuel that is not sub-
ject to Missouri motor fuel tax is subject to
(2) Basic Application.

(A) Operators of public mass transportation services who purchase fuel on or after August 28, 2007, and paid the Missouri motor fuel tax may obtain a refund of the tax. The operator of the public mass transportation service must certify to the department, on a form prescribed by the director, that the motor fuel will be used exclusively in the operation of the mass transportation service.

1. The operator must submit the claim on a form prescribed by the department within one (1) year of the date of purchase or April 15 of the year following the purchase, whichever is later.

2. The refund will equal the motor fuel tax, less all applicable state and local sales taxes unless the entity is otherwise exempt from Missouri sales tax.

(B) Ultimate vendors may make bulk sales of motor fuel to the exempt public mass transportation service on or after August 28, 2007, without collecting the state motor fuel tax. The ultimate vendor that purchased the motor fuel and paid the Missouri motor fuel tax may obtain a refund if the ultimate vendor sold the motor fuel without charging the Missouri motor fuel tax.

1. Operators must furnish the ultimate vendor a Public Mass Transportation Operator Exemption Certificate in order to purchase the motor fuel without being charged the Missouri motor fuel tax. This form is available at the department’s central office, or may be downloaded at http://www.dor.mo.gov/tax/business/fuel/forms/index.htm.

2. Any ultimate vendor who is a retailer, and not licensed as a supplier or distributor, must submit the claim on a form prescribed by the director within two (2) years of the date of purchase.

3. If the ultimate vendor is licensed as a Missouri supplier or distributor, the claim for refund must be submitted on a form prescribed by the director and must be filed within three (3) years of the date of purchase.

4. The ultimate vendor must collect and remit to the department any applicable state and local sales taxes at the rate in effect at the vendor’s place of business.

(3) Examples.

(A) A public mass transportation service operator has vehicles that operate on gasoline or gasohol. The operator goes to the pump to fuel its vehicles. The operator will purchase the gasoline or gasohol subject to all taxes and may apply for a refund of the state motor fuel tax.

(B) A public mass transportation service operator has vehicles that operate on diesel fuel. The operator may purchase clear diesel fuel subject to the state motor fuel tax and apply for a refund or if allowed under federal law, it may purchase dyed diesel fuel, which is exempt from state and federal fuel tax. It is required to complete and provide the ultimate vendor with an exemption certificate prior to filling any vehicles or ordering any dyed diesel fuel.

(C) A public mass transportation service operator has bulk storage facilities for the motor fuel used to fuel its vehicles. The ultimate vendor who delivers the motor fuel may sell the product without charging the motor fuel tax. The ultimate vendor would charge any applicable sales tax unless the operator is exempt from sales tax under state law. The ultimate vendor would then apply for a refund of the motor fuel tax it paid on the motor fuel but did not collect from the operator.

(D) A public mass transportation service operator has vehicles that operate on diesel fuel and meet the exemption requirements under federal law. Its routes include states other than Missouri, and the other state does not allow the use of dyed diesel fuel on public roadways. Even though Missouri and the federal government would allow the use of dyed diesel fuel, the operator must purchase and use clear fuel in the vehicles that cross into the neighboring state.
