

810-8-1-.66 Inspection Fee Bond Calculation

(1) In accordance with Section 8-17-96, Code of Alabama 1975, suppliers or permissive suppliers selling gasoline or undyed diesel fuel to a licensed exempt entity other than the federal government, or suppliers or permissive suppliers selling dyed diesel fuel or dyed kerosene at the rack at an out-of-state terminal to an importer for delivery into Alabama that is not a bonded distributor and does not have a valid inspection fee permit issued by the Alabama Department of Revenue, or the person first selling, the person importing, or anyone who makes application to become a bonded distributor for dyed diesel fuel, dyed kerosene, or lubricating oil must post a surety bond for the minimum amount referenced in Section 8-17-96(d), Code of Alabama 1975.

(2) Section 8-17-96(d), Code of Alabama 1975, allows the Revenue Commissioner the authority to require any additional bond amount to insure the prompt payment of all inspection fees due to the state.

(3) The additional bond amount will be computed based upon twice the average monthly liability. (average monthly gallons for all product types \* inspection fee rates based upon product type \* 2 = additional bond amount). Bond will never be less than \$5,000.00.

(4) This regulation will become operative on October 1, 2016, to coincide with the effective date of Act 2015-54.

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Authority: Sections 40-2A-7(a)(5), 8-17-84, and 8-17-96, Code of Alabama 1975.

History: New Rule: Filed June 15, 2016, effective July 30, 2016.