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State of Alabama Department of Revenue

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May 16, 2016

NOTICE

ACT 2015-54 – APPLICATION FOR AN ALABAMA INSPECTION FEE PERMIT WILL BE AVAILABLE ON JUNE 1, 2016

On April 17, 2015, Governor Robert Bentley signed Act 2015-54 which amended the statutes regarding the inspection fee and the excise tax. Effective October 1, 2016, the agricultural inspection fee of \$.02 per gallon will be added to the gasoline excise tax and the administration of the inspection fee for dyed diesel fuel, dyed kerosene, and lubricating oil will be transferred to the Department of Revenue. The first inspection fee return, which will include dyed diesel fuel, dyed kerosene, and lubricating oil, will be filed with the Alabama Department of Revenue for October 2016 which will be due no later than November 21, 2016 (the actual due date of the 20th is on a Sunday). The inspection fee return must be filed electronically through My Alabama Taxes (MAT).

You must obtain an inspection fee permit if you are the first seller of dyed diesel, dyed kerosene, or lubricating oil in Alabama or if you are importing dyed diesel, dyed kerosene, or lubricating oil into Alabama. An inspection fee permit is also required for suppliers or permissive suppliers that sell gasoline or undyed diesel fuel directly to a licensed exempt entity other than the federal government or that sell dyed diesel or dyed kerosene to an importer that does not have a valid inspection fee permit. If you desire to purchase dyed diesel, dyed kerosene, or lubricating oil without the fee from another permit holder and be responsible for remitting the fee to the Department of Revenue, then you will need to obtain an inspection fee permit.

To obtain the inspection fee permit, a new application and bond in the amount of \$5,000.00 must be mailed to the Department of Revenue at the address listed below. You should submit the application and completed bond form at the same time. These forms will be available on June 1, 2016 on our website at <https://revenue.alabama.gov/motorfuels/inspectfee.cfm>. To insure that your state inspection fee account is set up timely, we encourage you to submit your application and bond prior to September 1, 2016.

Any updates or notices regarding the transfer of the inspection fee to the Department of Revenue will be posted on our website at <https://revenue.alabama.gov/motorfuels/inspectfee.cfm>. If you have any questions pertaining to this notice, please contact this office at the address or telephone number shown below.

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