



Fuel Tax Filing and Reporting Information

This publication contains a general overview of fuel tax filing information.
For specific guidance on a particular tax type or topic please visit [Tax.Colorado.gov/Fuel-Tax](https://tax.colorado.gov/fuel-tax).

Helpful Links and Information

[Fuel Codes](#)

[Modes of Transport/Movement](#)

[General Filing Info/Instructions](#)

[Fuel Tax Webinar recording](#)

- Aviation fuel includes Avgas and Avjet.
- The excise tax does not apply to any acquisition, sale, import, or removal of gasoline or special fuel by bulk transfer to, from, or within a terminal or refinery (C.R.S. 39-27-102(1)(a)(I)(D)). A bulk transfer is a transfer by pipeline or rail car from a refinery to a terminal operated by the refiner.
- Excise and sales tax do not apply to fuel within an IRS or Colorado Registered Terminal (this includes jet fuel at DIA and Colorado Springs).

General Examples of how Fuel Activity should be Reported:

Reporting Information for Distributors that are Licensed Suppliers (Position Holders within a Terminal)

1. The Department uses the Position Holder on the BOL created when fuel is pulled from the terminal to determine the owner of the fuel within a terminal. The Position Holder must be licensed as a “supplier” to have inventory within a Terminal.
2. The Department uses the position holder reported by the terminal to determine the supplier.
3. The supplier reports fuel removal from the terminal on **Schedule 6K** and reports the first receiver of this fuel.



4. When the supplier is **not the first receiver**, their reporting requirement for that specific manifest is ended.
5. When the supplier is also the first receiver, in addition to reporting the disbursement from the terminal on schedule 6K, they will also report the receipt and disbursement below the terminal rack. This is the case when the supplier pulled the fuel from the terminal or allowed a non-distributor customer to pull directly from the terminal.

Reporting Information for Distributors that are NOT Suppliers

As indicated by the manifest and terminal report, if the distributor is the first receiver, the receipt of the fuel is reported on Schedule 2 or reported as an importer on schedule 3 or 4. The excise tax is due with the filing of these schedules.

When the distributor is not the first distributor, the receipt of the fuel is reported on schedule 1, and the tax is not charged on the return.

1. Fuel pulled directly from a Colorado Terminal and immediately sold to another distributor or retailer is to be reported as disbursed on the appropriate schedules 5 through 10. This is based on the original Bill of Lading (BOL) created at the terminal.
2. To report fuel sent to the distributor's storage tanks:
 - a. When received from a Supplier or other distributor and delivered to your storage tank, report the receipt using one of the receipt schedules (1-4). This fuel is part of the distributor's fuel inventory.
 - b. When fuel is pulled from the distributor's storage tanks, only the distribution of this fuel should be reported based upon the new manifest generated when pulled from the storage tanks, reporting who it is sold to, and should reduce the distributor's inventory (using schedules 5-10).
 - c. The distributor's inventory should increase and decrease based on the actual receipts and disbursements within their storage tanks with an



allowance for fuel increases and losses due to expansion and evaporation or spillage.

Use the [Fuel Schedule Descriptions](#) to aid in determining the appropriate schedule to use.

How to Amend a Return

1. Go to Revenue Online at Colorado.gov/RevenueOnline.
2. In the Log In box, enter your username and password. Then, select “Log In.”
3. Locate your Fuel Excise Tax account box and select “File/Amend and View Returns/Payments.”
4. Select the period you wish to amend from the list of available filing periods.
5. On the “Schedule Upload” screen, select “Amend.”
6. In the pop-up box, select the drop-down arrow and indicate a reason for the amendment. You will have the option to upload documentation.
7. Once the reason and uploads are complete, select “Next.”
8. On the “Schedule Upload” screen, upload your amendment or enter changes via Revenue Online.
9. Proceed with filing your return as normal.

Note: Department adjustments “Mode CD” cannot be edited/removed in Revenue Online. If you agree with the Department’s assessment, you will need to create a duplicate entry on the corresponding Mode and Schedule. Once the amendment is received, the Department will review and remove any Mode CD entries, if accepted.

Filing Information for Propane (LPG)

Propane has multiple uses besides as a motor fuel, therefore special rules have been made to apply to Propane only.

1. Propane is reported and taxed based on “net” gallons instead of “gross” gallons.
2. To pay the LPG inspection fee the First Receiver or Refiner is required to



report the receipt of propane.

- a. The First Receiver (this includes importers) pays the inspection fee by reporting the receipt on Schedule 2 through 4.
- b. Propane placed in the fuel tank by a distributor is taxable unless sold as a qualifying ex-tax (Government) sale.
 - i. The distributor reports this activity on Schedule 5, which charges the excise tax.
 - ii. If sold Ex-Tax, report these sales on the correct schedule for sales to the government (either Schedule 8 or 9). This reportable transaction is not taxed.

Propane that is exported should be reported on Schedule 7 to receive credit for the Natural Gas (NG) Inspection fee paid.

Filing Information for Aviation Fuels

1. All inventory within a terminal is included in the terminals' inventory; it is not reported on the distributor's returns. This is known as **Above The Rack**.
2. The point of taxation for excise tax is when fuel is imported into the state via truck or rail car or pulled from a Terminal. This includes when aviation fuel is pulled for immediate use by planes at the terminal. When fuel is sold to be shipped to different airports, the reporting should include the correct airport ID.
3. If aviation jet fuel is being directly injected into planes from an IRS-registered terminal, determine if the plane is Federal Aviation Regulation (FAR) 125/135 eligible.
 - a. **If Yes:** Excise tax should not be charged, but sales tax is required unless bonded and used for non-stop international flights.
 - b. **If No:** Excise tax is due on the receipt and the Sales Tax due will be determined when fuel is ultimately sold to the end user (retail).



Filing information: Shipping to Non-terminal Airport

1. Excise tax is due on the receipt from the terminal and the disbursement should be reported on **Schedule 5**, (unless b.(i.) below) applies
2. If the FBO is also the distributor (and retailer), when aviation fuel is sold to the end user, they must determine if the retail sale is to a FAR 125/135 qualified air carrier.
 - a. **If Yes:** Record a credit on the Fuel Distributor return, DR 7050, by reporting a disbursement on Schedule 10 to the qualified air carrier to claim a credit for excise tax. You must also collect and report sales tax.
 - b. **If No:** No action is required as excise tax will have been paid to Colorado on the receipt of the fuel and sales tax is not due. If the Fixed Based Operations (FBO) is not also a distributor but only a retailer, they will need to determine if sales tax is due and collect and report as appropriate.



Glossary

Biodiesel fuel:

Motor vehicle fuel produced from plant or animal products or wastes, as opposed to fossil fuel sources.

Bulk Transfer and terminal system:

The distribution system for gasoline and special fuel consisting of refineries, pipelines, vessels, and terminals. Gasoline or special fuel in any railcar is **not in the bulk transfer and terminal system** unless it is being transferred from the refinery to a terminal operated by the refiner. This is Above the Terminal Rack or Above the Rack.

“Common carrier” or “carrier”:

A person, including a railroad operator, who transports gasoline or special fuel from a terminal located in this state or transports gasoline or special fuel imported into this state and who does not own the gasoline or special fuel, but does not include transportation by bulk transfer.

First Receiver:

The person who first receives the gasoline or special fuel when it leaves the terminal, even if that person is also the supplier. In the case of gasoline or special fuel removed from a terminal by a common carrier, the person who owns the gasoline or special fuel removed by the common carrier is the first recipient of the fuel removed. In the case of gasoline or special fuel imported into the state by train or truck, the person who first owns the fuel in the state is the first recipient of the fuel brought into the state.

“Gallons”:

As measured on a gross gallons basis, except for Propane (LPG). “Gallons” means gallons as measured on a net gallons basis as defined in section 8-20-201 (3) and (5), C.R.S.



“Gasoline”:

Includes products specially prepared for, sold for, and used in aircraft; including kerosene (C.R.S. 39-27-101(12)).

Supplier:

A person (entity) who owns and stores gasoline or special fuel in a pipeline terminal, terminal, or refinery, or refinery in or outside of this state. Suppliers are a sub-license of distributors.