pennsylvania
DEPARTMENT OF REVENUE

March 16, 2009

Dear Registered Kerosene Dealer:

The Liquid Fuels and Fuels Tax Act requires new permits be issued to kerosene dealers each year beginning June 1.

The law allows the department to waive the required bond for Class 6 and 6A permits since all sales of undyed kerosene are made for home heating purposes, such as in unvented space heaters. In addition, the tax-reporting requirement is waived if all of your kerosene sales are from a blocked pump and you are properly registered with the IRS.

Kerosene dealers have the following licensing options:

1. **Use Low-Sulfur Dyed Kerosene Exclusively:** No Liquid Fuels and Fuels Tax permit, report or bond is required.

2. **Continue as a Class-6A Distributor:** All sales of undyed kerosene are from blocked pumps. A Liquid Fuels and Fuels Tax permit is required, but no monthly report or bond is required. If you have already provided verification of your 637-UP registration with the IRS, no further verification is needed. Please note that even though all of your sales are from a blocked pump, you are required to maintain kerosene receipts and disbursement records. Your status as a Class-6A distributor will permit you to purchase undyed kerosene without having to pay the state excise tax and sell it for residential heating purposes, tax-free. To renew your Liquid Fuels and Fuels Tax Permit, complete and return the enclosed application by deadline.

3. **Continue as a Class-6 Distributor:** Some sales of undyed low sulfur kerosene are from pumps that are not blocked pumps. Accordingly, a Liquid Fuels and Fuels Tax permit and monthly reports are required. No bond is required. This Class-6 distributor status will allow you to purchase undyed kerosene without having to pay the state excise tax and sell it solely for home heating purposes tax-free. You are not permitted to use undyed kerosene in motor vehicles or sell such products for taxable use. To renew your Liquid Fuels and Fuels Tax Permit, complete and return the enclosed application by April 24, 2009.

Should you have any questions regarding your licensing options, please contact the Bureau of Motor Fuel Taxes at the below address or call 717-787-8292.

Sincerely,

Earl F. (Jack) Crago, III
Director, Bureau of Motor Fuel Taxes

Enclosures