

General Aviation Fuel Tax Information

Table of Contents

	Page
I. INTRODUCTION.....	1
II. DEFINITIONS	1
III. IMPOSITION OF THE GENERAL AVIATION FUEL TAX.....	1
IV. GENERAL AVIATION FUEL TAX RATE	1
V. OBTAINING A GENERAL AVIATION FUEL LICENSE	2
VI. REPORTING AND PAYING GENERAL AVIATION FUEL TAX.....	2
VII. AMENDING A REPORT.....	3
VIII. CHARGES AND FEES FOR FILING INCORRECT REPORTS.....	3
IX. CERTIFICATE OF EXEMPTION.....	3
X. MOTOR VEHICLE GASOLINE PURCHASED EXCLUSIVELY FOR AIRCRAFT USE	3
XI. NON-AIRCRAFT USE OF MOTOR VEHICLE GASOLINE	4
XII. RECORDKEEPING	4
XIII. FUEL TAX EVASION	5
XIV. ASSISTANCE.....	5

CAUTION

The information in this publication reflects the position of the Wisconsin Department of Revenue of laws enacted by the Wisconsin Legislature as of May 1, 2012. Laws enacted after this date, administrative rules, and court decisions may change interpretations in this publication.

I. INTRODUCTION

This document provides information concerning Wisconsin’s general aviation fuel tax law. It explains who needs a general aviation fuel license, when reports are due, what records to keep, the interest and penalties imposed on reports filed incorrectly, and other related topics.

II. DEFINITIONS

“Air Carrier Company” is any person, association, company, or corporation that engages in the business of transporting persons and/or property for hire on regularly scheduled flights.

“Aircraft” means any apparatus, except those owned by an air carrier company, used or designed for navigation or flight in air.

"Department" means Department of Revenue.

"General Aviation Fuel" means all combustible gases and liquids placed in the supply tank of an aircraft that are suitable for generating power to propel the aircraft. Examples of aviation fuel include products commonly or commercially known as aviation gasoline (AvGas), jet turbine fuel (kerosene) and unleaded gasoline (mogas).

III. IMPOSITION OF THE GENERAL AVIATION FUEL TAX

The Wisconsin general aviation fuel tax is imposed on all aviation fuel sold, used, or distributed in Wisconsin with the exceptions noted below.

The general aviation fuel tax is payable by the following persons who must be licensed by the department:

1. Fuel “dealers” who make bulk deliveries of aviation fuel to persons who are not licensed as general aviation fuel dealers with the department.
2. Fuel “dealers” who place aviation fuel into the supply tanks of aircraft owned by others.
3. Fuel “dealers” who place aviation fuel into the supply tanks of their own aircraft.
4. Fuel “users” who place untaxed aviation fuel into supply tanks of their own aircraft. Generally fuel users do not need a general aviation fuel license because they pay the aviation fuel tax to their suppliers. However, users who purchase motor vehicle gasoline tax-exempt from fuel suppliers, and place that fuel into an aircraft, must obtain a general aviation fuel license. They are then responsible for remitting the aviation fuel tax to the department. See Part X of this publication for more information about purchasing motor vehicle gasoline for aircraft use.

No person may act as a general aviation fuel dealer in Wisconsin unless the person is a holder of a valid general aviation fuel license. “Users” cannot fuel aircraft owned or operated by others; only dealers can.

Exempt Sales: The following sales are exempt from the general aviation fuel tax:

1. Aviation fuel sold to the United States government or its agencies (for example, the Armed Forces and the U. S. Postal Service).
2. Aviation fuel used by air carrier companies. Air carrier companies are taxed as public utilities under [Chapter 76](#) of the Wisconsin Statutes. Air carriers must provide dealers with a [Form MF-208, Certificate of Exemption for General Aviation Fuel Tax](#), in order to purchase aviation fuel tax-exempt (see Part IX of this publication).
3. Liquefied propane gas (LPG) used to heat the air in a hot air balloon. The wind, not the LP gas, propels the balloon and, therefore, the LP gas is not subject to the Wisconsin fuel tax.

IV. GENERAL AVIATION FUEL TAX RATE

The tax rate on general aviation fuel is 6¢ per gallon.

V. OBTAINING A GENERAL AVIATION FUEL LICENSE

To obtain a general aviation fuel tax license and a Business Tax Registration (BTR) Certificate (if you don't already have a BTR certificate), submit a properly completed [Form MF-100](#), *Application for Fuel License*, to the department.

License Fee: There is no fee for a general aviation fuel tax license. However, there is a one-time \$20 fee for the BTR Certificate, with a \$10 renewal fee every two years.

Security Requirement: You may be required to submit security to guarantee your payment of the Wisconsin general aviation fuel tax. The department will determine the amount of security required but it may not exceed three times a licensee's average monthly liability. Acceptable types of security include, but are not limited to, bonds, certificates of deposit, or cash. If you maintain a problem-free filing and payment record for two years, your security may be released.

Display of Fuel License: Each license must be conspicuously displayed at the place of business for which issued.

Additional Location: Contact the department's Excise Tax Section at (608) 261-6435, if you install aviation fuel storage facilities at another location or begin selling aviation fuel at a location other than the location covered by your license. The department will send you a license for the additional location(s).

Reporting Changes: Immediately notify the department if your business undergoes any of the following changes:

- name (legal or business)
- address (location or mailing)
- ownership, or
- you cease operating in Wisconsin.

Notify the department in writing of these changes. If you receive a new Federal Employer Identification Number, you must file a new application with the department and update your security.

VI. REPORTING AND PAYING GENERAL AVIATION FUEL TAX

Who Must File: All general aviation fuel dealers and users licensed by the department (and any nonlicensed person who uses untaxed aviation fuel in a taxable manner) must complete and file a [Form MF-011](#), *Licensed General Aviation Fuel Dealer or User Report*, with the department summarizing their aviation fuel transactions and computing any general aviation fuel tax due.

General aviation fuel licensees must file a report each month. However, if the average tax liability is less than \$500 per calendar quarter, the department may instruct licensees to file and pay the general aviation fuel tax on a quarterly basis. **A report must be filed by licensees even when no tax is due.**

Due Date of Report: General aviation fuel tax reports are due 20 days after the close of the reporting period (month or quarter). For example, a report for September is due October 20.

How to File: General aviation fuel tax reports must be filed electronically through *My Tax Account*. Information regarding *My Tax Account* is located at <https://tap.revenue.wi.gov>.

Late-Filed Reports: Reports that are not timely filed are subject to the following:

1. A mandatory \$10 late filing fee.
2. A late filing penalty of 5% of the tax due for each month or partial month the required report is not filed (not exceeding 25% of the tax due).

Payments: General aviation fuel tax is due by the 20th of the month following the close of the reporting period. If a payment is late, interest calculated on the tax at the rate of 1.5% per month until paid.

Taxes may be paid by Electronic Funds Transfer (EFT). Information about EFT is available online at www.revenue.wi.gov or by calling (608) 264-9918.

Delinquent Fee: Taxes or assessments not paid by the due date are subject to a delinquent tax collection fee. The fee is the greater of \$35 or 6.5% of the unpaid tax, interest, and penalties that become subject to the delinquent tax collection action.

Revocation of General Aviation Fuel Licenses: It is very important that fuel tax reports and payments are timely submitted. Licensees with poor filing and/or payment history may have their general aviation fuel license revoked.

VII. AMENDING A REPORT

Amended general aviation fuel tax reports, must also be filed electronically. If you are filing an amended report, you must file a true, corrected and complete return, including all previously unchanged transactions. Do not file a report that only reports the changes.

VIII. CHARGES AND FEES FOR FILING INCORRECT REPORTS

Incorrect Reports: The following interest and penalties may apply when incorrect fuel tax reports are filed:

1. **Interest:** 12% per year on all unpaid taxes (refunded taxes bear interest at the rate of 9% per year).
2. **Negligence Penalty:** 25% of the additional tax due if there was negligence in filing a report.
3. **Fraud Penalty:** 50% of the additional tax due if there was intent to defeat or evade the fuel tax.

See Part VI of this publication for additional fees, interest and penalties if the report is also filed late.

Criminal Charges: The following violations can result in criminal charges being brought against a person:

- Acting (selling) as a licensee without a license
- Failing or refusing to furnish a fuel tax report required by the department
- Filing a false or fraudulent report or helping another person to do so with the intent to defeat or evade the tax
- Displaying or using a fuel license known to be fictitious, canceled, revoked, or altered
- Using a false or fictitious name when submitting a refund claim or committing any other fraud in preparing and submitting a refund claim

IX. CERTIFICATE OF EXEMPTION

General aviation fuel may be purchased exclusive of the Wisconsin general aviation fuel tax by:

1. A general aviation fuel dealer when purchasing aviation fuel for resale from another aviation fuel dealer.
2. An air carrier company when purchasing aviation fuel for its aircraft.

To purchase aviation fuel exclusive of the general aviation fuel tax, the fuel dealer or air carrier company must complete and provide a [Form MF-208](#) to their fuel dealers.

- If fuel is purchased from more than one dealer, a Certificate of Exemption must be completed and provided to each fuel dealer.
- Both parties must retain a copy of the completed certificate for their records.
- **Do not** send a copy to the department unless requested.
- The acceptance of a properly completed Certificate of Exemption by a fuel dealer relieves the dealer from liability for the Wisconsin general aviation fuel tax on the aviation fuel sold to that customer.
- By checking the appropriate box (single purchase or continuous) on the exemption certificate, the Certificate of Exemption can be for a single purchase of aviation fuel or a continuous number of purchases exclusive of the Wisconsin general aviation fuel tax.
- A “continuous” certificate remains in effect until the fuel purchaser ceases operating or cancels the certificate.

X. MOTOR VEHICLE GASOLINE PURCHASED EXCLUSIVELY FOR AIRCRAFT USE

Many small aircraft have been approved by the Federal Aviation Administration (FAA) to use the same unleaded gasoline used in a motor vehicle. Wisconsin law allows general aviation fuel dealers to purchase motor

vehicle gasoline that will be used in aircraft from fuel suppliers without paying the Wisconsin motor vehicle fuel tax (currently 30.9¢ per gallon). Fuel users (see Part III of this publication) may also purchase gasoline tax-exempt for aircraft use by obtaining an aviation fuel license.

To purchase motor vehicle gasoline tax-exempt from fuel suppliers:

- General aviation licensees must provide suppliers with a properly completed [Form MF-209](#), *Certificate of Fuel Tax Exemption – Exempt Sales of Gasoline and Undyed Diesel Fuel*.
- Gasoline purchased tax-exempt for aircraft use must be delivered to the general aviation licensee’s storage tank in an amount not less than 100 gallons.

General aviation fuel dealers must charge customers (unless exempt) the 6¢ per gallon general aviation fuel tax on the motor vehicle gasoline customers purchase for use in aircraft along with the tax on any other aviation fuel purchased.

A dealer’s tax-exempt purchases of gasoline and subsequent sales for aircraft use must be reported with the dealer’s other aviation fuel transactions on the Wisconsin aviation fuel tax reports ([Form MF-011](#)).

Users licensed by the department must report ([Form MF-011](#)) and pay the general aviation fuel tax on the motor vehicle gasoline they purchase without tax for aircraft use. Users licensed with the department may purchase other untaxed aviation fuel and remit the aviation fuel tax along with the tax on the automobile gasoline purchased for use in aircraft.

Gasoline Purchased from Service Stations: Purchases of gasoline from service stations for use in aircraft are:

- Charged the 30.9¢ per gallon motor vehicle fuel tax on the gasoline purchased. These purchases are not eligible for a refund claim of the motor vehicle fuel tax paid.
- The 6¢ per gallon general aviation fuel tax is due and must be reported when this gasoline is placed into the aircraft.

XI. NON-AIRCRAFT USE OF MOTOR VEHICLE GASOLINE

Untaxed motor vehicle gasoline purchased for aircraft use must not be placed in any off-road nonlicensed mobile machinery and equipment (for example, baggage haulers and lawn mowers), whether used at the airport or in some other business owned or operated by the licensee.

However, fuel may be purchased exclusive of the Wisconsin motor vehicle fuel tax for use in off-road nonlicensed mobile machinery and equipment if delivered into a separate storage tank in an amount not less than 100 gallons, provided the buyer executes a separate [Form MF-209](#) with the fuel supplier.

XII. RECORDKEEPING

Keep a complete copy of your Licensed Alternate Fuels Dealer or User Report and all records pertaining to your fuel business for a minimum of four years. These records must support the correctness of your general aviation fuel tax liability.

Fuel licensees must keep a record (for each kind or trade name of fuel) of all:

- purchases (manifests and invoices),
- sales receipts,
- pump meter readings,
- own use,
- types of fuel on hand and to take and record a physical inventory of each type of fuel on hand (bulk and retail separately) at each location at the close of business on the last day of every month.

If you make nontaxable sales of fuel, you must also maintain the following information for these sales:

- the name and address of the purchaser,
- date of sale,
- what the fuel was placed into (intended use),
- the number of gallons sold,

- the state tax deducted from the pump price.
- copies of any executed exemption certificates

Your records must be stored in a place and manner easily accessible for review by department personnel.

Caution: When records are not maintained, Wisconsin law presumes that **all** aviation fuel received into storage (untaxed bulk purchases) is subject to the tax without benefit of any deductions. Therefore, it is very important to maintain sufficient records to show how you determined your general aviation fuel tax liability.

XIII. FUEL TAX EVASION

To report suspected cases of fuel tax evasion, contact the department at (608) 266-7453.

XIV. ASSISTANCE

Questions About:

- **General Aviation Fuel Tax License** Including Ownership Change, Additional Locations and to Obtain an Application Form: Call (608) 261-6435.

- **Certificate of Exemption:** Call (608) 266-0064 or 266-3223.
- **Refund Claims:** Call (608) 266-6701.
- **Record Keeping:** Call (608) 266-7453.

To view commonly asked questions, visit our web site at: www.revenue.wi.gov.

You may also visit the department at:

Madison Office Location
2135 Rimrock Road
Madison, WI 53713

or write to:

Excise Tax Section 6-107
Wisconsin Department of Revenue
P.O. Box 8900
Madison, WI 53708-8900
FAX (608) 261-7049
E-mail: excise@revenue.wi.gov