



Motor Vehicle Fuel Tax Information

Including Petroleum Inspection Fee

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IMPORTANT CHANGES

- **Publication Reorganization.** Sections of the publication have been reorganized to group similar topics and remove duplicate information.
- **Allowances.** Effective for returns or claims filed on or after January 1, 2020, the:
 - administrative allowance that licensed fuel suppliers may deduct when remitting motor vehicle fuel taxes on gasoline is reduced from 1.35 percent to 0.675 percent of gallons of gasoline received for the taxable period.
 - 0.5 percent refund of fuel tax paid on gasoline received into service station operator's storage tanks to cover shrinkage and evaporation losses is eliminated. See [page 12](#).
- **Bulk Plant.** The definition of bulk plant is added. See [page 4](#).
- **Exemption Certificates.** Exemption certificates used to claim motor vehicle fuel tax exemptions on gasoline or diesel fuel are valid for three years unless cancelled by the Department of Revenue (DOR) or the person claiming the exemption. See [page 11](#).
- **Common Motor Carrier.** The definition of common motor carrier is added. In 2014, the definition was amended to:
 - eliminate the requirement that passenger transport be "between fixed end points or over a regular route upon the public highways or property over regular or irregular routes."
 - exclude a commuter car pool or van pool with a passenger-carrying capacity of eight passengers, including the driver. See [page 4](#).

Applicable Laws and Rules

This document provides statements or interpretations of the following laws and regulations enacted as of December 16, 2021: chapters 78 and 168, Wis. Stats. and sec. Tax 4, Wis. Adm. Code.

Laws enacted and in effect after this date, new administrative rules, and court decisions may change the interpretations in this document. Guidance issued prior to this date, that is contrary to the information in this document is superseded by this document, according to sec. 73.16(2)(a), Wis. Stats.

1. INTRODUCTIONS

This publication provides information about Wisconsin's motor vehicle fuel tax and petroleum inspection fee laws. It explains license requirements, exempt sales, reporting taxes and fees, interest and penalties, recordkeeping, interstate motor carrier reporting, and other related topics.

2. DEFINITIONS

In this publication, the following definitions apply.

Agricultural commercial motor vehicle (Ag-CMV): A vehicle not licensed, or required to be licensed, that meets all the following conditions:

- Substantially designed or equipped, or materially altered from its original construction, for agricultural use
- Designed and manufactured primarily for highway use

- Unless manufactured before 1970, manufactured to meet federal motor vehicle safety standard certification label requirements in [49 CFR 567](#)
- Used exclusively in agricultural operations
- Directly engaged in harvesting farm products, applying fertilizer, spray, or seeds to farm fields, or distributing feed to livestock

Bulk Plant: A motor vehicle fuel storage facility, other than a terminal, primarily used to redistribute motor vehicle fuel by transporting it in vehicles.

Common Motor Carrier: A person who holds himself or herself out to the public as willing to undertake for hire to transport passengers or property by motor vehicle upon the public highways. The transportation of passengers in taxicab service or in commuter car pool or van pool vehicles that are designed to carry less than eight passengers, including the driver, or in a school bus under [sec. 120.13 \(27\)](#), Wis. Stats., is not transportation by a common motor carrier.

DOR: Wisconsin Department of Revenue.

Federal Preemption: Native American treaties and/or federal law that prohibit state taxation of tribes and Native Americans.

Implement of Husbandry: A self-propelled or towed vehicle that is manufactured, designed, or reconstructed to be used, and is exclusively used, in agricultural operations. An "implement of husbandry" includes any of the following:

- Farm tractor
- Self-propelled combine, forage harvester, fertilizer or pesticide application equipment except manure application equipment; towed tillage, planting, and cultivation equipment and its towing power unit; or another self-propelled vehicle that directly engaged in harvesting farm products, applying fertilizer, spray, or seeds (except manure), or distributing feed to livestock
- Farm wagon, farm trailer, manure trailer, or trailer adapted to be towed by, or to tow or pull, another implement of husbandry
- Combination of vehicles that are each an implement of husbandry

Metered Out: Process of measuring gallons of dispensed fuel.

Motor Vehicle Fuel Floor Tax: Tax imposed on motor vehicle fuel inventory equal to the amount by which the motor vehicle fuel tax rate changes. For example, if the tax rate increases from 28.9¢ to 30.9¢, the floor tax is 2¢.

Motor Vehicle Fuel: Gasoline or diesel fuel. Gasoline includes alcohol, gasohol, and transmix. Diesel fuel includes number 1 and number 2 fuel oils, whether dyed or undyed or high or low sulfur. Diesel fuel also includes biodiesel. Kerosene is not a motor vehicle fuel unless it is blended with another product and/or used to power a motor vehicle.

MTA: My Tax Account, DOR's online return filing and tax payment application.

Native American: Federally recognized tribes and persons of Native American descent who are enrolled members of any federally recognized tribe, including Native American corporations and partnerships.

Petroleum Inspection Fee: A 2¢ per gallon fee on all petroleum products received by a supplier for sale or for sale for export to Wisconsin.

Petroleum Products: Gasoline, gasoline-alcohol fuel blends, kerosene, fuel oil, burner oil, and diesel fuel oil. Compressed natural gas (CNG), liquefied natural gas (LNG) and liquefied propane (LPG) are alternate fuels not subject to the petroleum inspection fee (see [Publication 306](#), *Alternate Fuel Tax Information*).

Rack: A mechanism used to dispense accountable product/motor fuel from a refinery terminal or bulk plant into a transport truck, railroad tank car, or other means of transportation.

Recreational Motorboat: A motorboat used predominantly for entertainment, amusement, or recreation of the motorboat owner, whether used in a trade or business.

Renewable Fuel: Fuel, including biodiesel fuel defined in [sec. 168.14 \(2m\)](#), Wis. Stats., produced from renewable biomass and used to replace or reduce the quantity of fossil fuel used in motor vehicle fuel.

Suppliers: Persons who:

- Import, or acquire immediately upon import, gasoline or diesel fuel by pipeline or marine vessel from a state, territory, or possession of the United States or foreign country into a terminal
- Produce, manufacture, or refine gasoline or diesel fuel within Wisconsin
- Acquire motor vehicle fuel pursuant to an industry terminal exchange agreement or by a two-party exchange under [sec. 4105](#), IRC
- Produce in, or import into, Wisconsin alcohol, alcohol derivative substances, biodiesel, or fuels derived from vegetable oils or animal fats

Suppliers also include "restricted suppliers" who may only:

- Import motor vehicle fuel and/or other petroleum products into Wisconsin from an out-of-state bulk plant
- Remove motor vehicle fuel from a bulk plant in Wisconsin for a destination outside Wisconsin

Taxicab: A motor vehicle having a passenger carrying capacity of fewer than 15 persons, held for public hire, at designated places, charging passengers upon a time or distance basis, and carrying passengers to designations without following any fixed routes. "Taxicab" does not include any of the following:

- Motor vehicles rented to be driven by the renter or the renter's agent
- Motor vehicles operated primarily as funeral cars
- Motor vehicles of car pools and van pools operated by private individuals, nonprofit organizations or city, state or federal governments
- Motor vehicles operated primarily as ambulances
- Motor vehicles operated primarily for transporting property
- Motor vehicles not designated "Taxi" on Form MV1 or MV11, *Wisconsin Title & License Plate Application*, filed with the Department of Transportation (DOT)

Terminal: A reportable fuel storage and distribution facility that is supplied by pipeline or vessel from which reportable fuel may be removed at a rack. Terminal includes bulk plants that store reportable fuel for others.

Terminal Operator: A terminal operator is the person who, by ownership or contractual agreement, is responsible for, or has physical control over, the operation of a terminal.

Transmix: The accountable product/motor fuel that results from the natural mixing of products at both the beginning and end of each batch of product shipped through a pipeline.

Tribal Reservation: The reservation of the Tribe of which a Native American is an enrolled member (e.g., the tribal reservation for an enrolled member of the Oneida Tribe is the Oneida reservation). Unless noted otherwise, reservation in this publication includes trust lands.

Urban Mass Transportation of Passengers: The transportation of passengers by means of vehicles having a passenger-carrying capacity of 10 or more persons including the operator that takes place in any of the following:

- Entirely within contiguous cities, villages or towns and in cities, villages or towns contiguous to that in which the carrier has its principal place of business
- Within or between cities, villages or towns located within a radius of 10 miles of the city, village or town in which the carrier has its principal place of business
- Entirely within one city, village or town contiguous thereto
- Within a county having a population of 750,000 or more or within such county and the counties contiguous thereto, or suburban operations classified as such by DOT

Capacity is determined by dividing the total seating space measured in inches by 20.

Wholesale Distributor: A person who acquires motor vehicle fuel from a licensed supplier or another wholesale distributor for subsequent sale at wholesale in Wisconsin.

3. LICENSES AND REGISTRATIONS

A. Motor Vehicle Fuel Suppliers

Suppliers or "restricted" suppliers of motor vehicle fuel in Wisconsin must obtain a fuel license from DOR.

No person may import motor vehicle fuel into Wisconsin, or sell, use, transport, or store motor vehicle fuel in Wisconsin unless the motor fuel tax and petroleum inspection fee have been paid to, or liability accrued by, the holder of a valid motor vehicle fuel license issued by DOR.

Suppliers must also be registered with the federal government under [sec. 4101](#), IRC, for gasoline and diesel fuel tax-free transactions.

B. Petroleum Product Shippers

A petroleum products shippers license is required to sell petroleum products in Wisconsin if the Wisconsin petroleum inspection fee has not been paid.

Exception: A license is not required if:

- Petroleum inspection fees are paid to suppliers with the Wisconsin motor vehicle fuel tax
- Shipper holds Wisconsin motor vehicle fuel supplier license

C. Terminal Operators

Terminal operators who own the fuel products handled by the terminal must have a motor vehicle fuel supplier license.

A terminal operator that does not own the fuel products handled by the terminal does not need a supplier license. However, these terminal operators must register with DOR and electronically file monthly informational reports itemizing terminal receipts, disbursements, inventories, and meter readings.

D. Fuel Transporters

Persons who transport motor vehicle fuel, general aviation fuel, or alternate fuels on Wisconsin highways must register with DOR.

Exceptions:

- Private carriers that transport fuel only within Wisconsin, and not across state lines, are not required to register as a fuel transporter. "Private" means the carrier owns the vehicles transporting the fuel and the fuel products transported.
- Pipeline, rail, ship, and barge carriers that transport fuel in Wisconsin, but not upon Wisconsin highways, are not required to register but are required to file monthly reports with DOR itemizing fuel shipments in Wisconsin.

Once an application is approved, DOR issues a registration number. The registration number must be painted on both sides and rear of each vehicle that transports fuel in Wisconsin. The number must be preceded by the letters WDR and all characters cannot be less than 5" in height with a stroke not less than 3/4" in width.

There is no fee for a transporter registration number. The registration number is valid until it is canceled by the transporter or revoked by DOR. The registration number is not transferable to another person or place.

E. Application

To obtain a fuel license if required, complete and submit [Form MF-100, Application for Fuel License](#) or call DOR's Excise Tax Unit at (608) 266-6701.

There is no fee for a fuel license or a transporter registration number. However, there is a one-time \$20 charge for a Business Tax Registration (BTR) certificate, which is renewable every two years for \$10. You only need one BTR certificate regardless of the number of licenses or permits you hold with DOR.

Security: Security may be required to guarantee payment of the Wisconsin motor vehicle fuel tax and petroleum inspection fees. DOR determines the amount of security not to exceed three times a licensee's average monthly liability. Acceptable types of security include surety bonds, checks, or cash.

If returns are filed and payments made when due for two years, security may be released. Security is not required to obtain the transporter registration number.

F. Other

- **License Display:** A license must be conspicuously displayed at each business location.
- **License/Account Changes:** Notify DOR immediately, in writing, for the following business changes:
 - name (legal or trade)
 - address (location or mailing)
 - ownership
 - cease operating in Wisconsin
 - contact information

If a new Federal Employer Identification Number (FEIN) is issued, complete and submit [Form MF-100](#) using the new FEIN. Security, if required, must also be updated.

4. RATES

The Wisconsin motor vehicle fuel tax rate is 30.9¢ per gallon. The petroleum inspection fee is 2¢ per gallon.

When the motor vehicle fuel tax rate increases, a floor tax is imposed on every person who holds motor vehicle fuel for sale or resale on the date of the increase if tax was originally imposed. If the tax rate decreases, a refund is available. The department will make available a floor tax return for the purpose of paying the additional tax due or claiming a refund in the case of a tax rate decrease.

5. WHAT'S TAXABLE?

The Wisconsin motor vehicle fuel tax and petroleum inspection fee are imposed when petroleum products are withdrawn and metered out at the terminal or refinery rack.

The petroleum products subject to the petroleum inspection fee include gasoline, diesel fuel, kerosene, aviation fuel, jet fuel, racing fuel, and dyed fuel oil.

Gasoline, undyed diesel fuel, and other petroleum products may be imported into Wisconsin by pipeline or marine vessel for terminal storage, or produced, manufactured, or refined in Wisconsin and stored by the refiner, without incurring liability for paying the motor vehicle fuel tax and the petroleum inspection fee until the product is metered out. The motor vehicle fuel tax and petroleum inspection fee on gasoline, undyed diesel fuel, and other petroleum products imported into Wisconsin by any other method is payable by the licensed supplier. See [Section 3](#) for information about obtaining a supplier's license.

Motor vehicle fuel tax is also imposed upon untaxed fuel products (for example, kerosene, biodiesel, waste oil, heavy oil, naphtha, or solvents) at the time it is sold or used to power a licensed motor vehicle. The untaxed products are subject to the Wisconsin motor vehicle fuel tax at the point when untaxed fuel products are placed directly into the supply tank of a licensed motor vehicle or blended with taxed products (undyed diesel fuel or gasoline).

The Wisconsin motor vehicle fuel tax and the petroleum inspection fee are imposed at General Mitchell International Airport when the fuel is received from the main pipeline into the initial or primary storage facility.

6. EXEMPTIONS

A. Motor Fuel Tax

The following sales are exempt from Wisconsin motor vehicle fuel tax:

- Gasoline and undyed diesel fuel sold to the United States government or its agencies

CAUTION

- Fuel sold to the Wisconsin state and local governments and agencies and school districts is taxable unless another exemption applies.
 - Dyed diesel fuel **cannot** be placed into the supply tank of a licensed diesel-powered motor vehicle (for example, school bus).
- Gasoline for off-road use in mobile machinery and equipment delivered directly into a purchaser's bulk storage tank if 100 gallons or more

CAUTION

Gasoline is not exempt if placed into the fuel supply tank of any of the following:

- licensed motor vehicle (except an urban mass transportation vehicle)
- snowmobile
- recreational motorboat
- all-terrain vehicle (ATV) or utility terrain vehicle (UTV), unless registered for private use

Dyed diesel fuel may be purchased tax-exempt only if used for off-road purposes. It cannot be mixed with undyed diesel fuel.

- Gasoline and undyed diesel fuel sold to or used by a common motor carrier for urban mass transportation of passengers

In the case of *Wisconsin Coach Lines, Inc. vs. Wisconsin Department of Revenue* (June 21, 2017), the Wisconsin Tax Appeals Commission held that transporting passengers on a bus route from Waukesha County to Milwaukee, between various locations in Milwaukee County, and Milwaukee County to Kenosha County was used in urban mass transportation of passengers. Diesel fuel used by buses on this route was used in urban mass transportation of passengers.

- Gasoline and undyed diesel fuel exported from Wisconsin

Note: Gasoline carried out of Wisconsin in the ordinary fuel tank of a motor vehicle is not exported gasoline.

- Gasoline sold and delivered for use in aircraft directly into a licensed general aviation fuel dealer's or user's bulk storage tank if 100 gallons or more
- Undyed diesel fuel sold or used as heating oil
- Undyed diesel fuel sold or used in trains
- Gasoline and undyed diesel fuel sold on a tribal reservation to Native Americans (see [Part C](#))
- Dyed diesel fuel

Dyed diesel fuel has red dye added to indicate that motor fuel tax has not been paid. It must be used for tax exempt purposes. For example, dyed diesel fuel may be used in vehicles not licensed, or required to be licensed, for highway use with (DOT) that are used off-road.

Agricultural Use Vehicles: Dyed diesel fuel may be used in a vehicle not licensed, or required to be licensed, by DOT, if classified as an:

- agricultural commercial motor vehicle (Ag CMV)
- implement of husbandry

Dyed diesel fuel may not be used in a vehicle that is licensed or required to be licensed with DOT.

Note: Untaxed gasoline and alternate fuels must be used in the same manner as dyed diesel fuel but does not have a red dye indicating that no motor fuel excise tax has been paid.

CAUTION

Dyed diesel fuel may:

- only be sold or used for off-road purposes
- not be used in licensed motor vehicles

See [Section 7.F.](#) regarding penalties for misuse of dyed diesel fuel.

- Personal renewable fuel

The first 1,000 gallons of renewable fuel (as defined in [sec. 78.005\(13j\)](#), Wis. Stats.) is considered personal renewable fuel when produced or converted from another purpose each year by an individual and used by that individual in his or her personal motor vehicle, if the individual does not sell such renewable fuel during that year.

B. Petroleum Inspection Fee

The following fuel is exempt from the petroleum inspection fee:

- Fuel sold to the United States government and its agencies
- Gasoline and undyed diesel fuel sold on a tribal reservation to Native Americans (see [Part C](#))
- Fuel exported from Wisconsin
- Fuel transferred to tax-free terminal storage

C. Sales to Native Americans

Under federal preemption laws, Native Americans are not subject to the Wisconsin motor fuel tax and petroleum inspection fees on fuel purchased if delivered on the Native American's tribal reservation.

Exception: Fuel purchased for resale to non-Native Americans and by Native Americans for resale to both Native and non-Native Americans is subject to Wisconsin fuel taxes.

CAUTION

Fuel purchased on a reservation by a non-Native American and fuel delivered to Native Americans off the reservation is subject to the Wisconsin motor fuel tax and petroleum inspection fee.

D. Sales at Retail Service Stations

Although most motor vehicle fuel sold through a retail service station is dispensed into licensed motor vehicles and subject to Wisconsin's motor vehicle fuel tax, motor vehicle fuel may be sold exempt at a full-service or self-service station or truck stop with attendants. The attendant should deduct the Wisconsin motor vehicle fuel tax from the pump selling price.

To substantiate exempt sales, the retail station must obtain documentation from the purchaser attesting to the exempt use of the fuel purchased and maintain records showing all the following:

- Purchaser name and address
- Sale date

- What the fuel was placed into (intended use)
- Gallons sold
- Amount of Wisconsin motor vehicle fuel tax deducted from purchase price

Exempt motor fuel sales at an unattended retail service station must be withdrawn from a separate "nontaxable" pump or with a nontaxable key or card issued by the station.

E. Exemption Documentation

A supplier, wholesaler, or retailer that makes an exempt sale must obtain a properly completed exemption certificate ([Form MF-209](#), *Certificate of Fuel Tax Exemption – Exempt Sales of Gasoline and Undyed Diesel Fuel*) from the purchaser. The completed certificate should identify the purchaser (e.g., Native American with delivery on the purchaser's tribal reservation).

When the law does not prescribe a specific exemption document, a person may design one based on department specifications. Exemption certificates are valid for three years unless canceled by DOR.

In lieu of an exemption certificate the seller may capture and maintain all of the following data elements in its accounting system, with respect to the transaction upon which an exemption is being claimed:

- Name and business address of the purchaser.
- Purchaser's state tax identification number and state of issue.
 - If the purchaser does not have a state tax identification number then the purchaser's federal employer identification number is needed.
 - If the purchaser does not have a federal employer identification number then the purchaser's personal driver's license number and state of issue is needed.
- Purchaser's type of business.
- The reason for the claimed exemption.

7. COLLECTION, REPORTING, AND REMITTANCE

Motor vehicle fuel taxes and petroleum inspection fees are collected by the licensed supplier. The tax must be passed on to subsequent purchasers in the fuel selling price, i.e., paid by the fuel user, unless an exemption applies.

A. Filing Returns

Most motor fuel licensees must file returns even when no tax or fee is due. Exceptions:

- Restricted suppliers are only required to submit a return when a tax or refund is due. They are not required to submit a return when no transactions occur during a reporting period.
- Blenders only submit a return when fuel blending occurs.

DOR requires all motor vehicle fuel returns be filed electronically using [MTA](#) or an approved [XML schema](#). More information on electronic filing is available at <https://www.revenue.wi.gov/Pages/FAQS/pcs-e-faq.aspx>

Reporting forms include:

- [Form MF-002](#), *Wisconsin Combined Monthly Fuel Summary Report*: filed by suppliers, restricted suppliers, petroleum products shippers, terminal operators, and fuel transporters

- [Form MF-010M](#), *Terminal Operator's Schedule of Meter Readings*
- [Form MF-017](#), *Wisconsin Blender's Fuel Report*: filed by persons who sell or use untaxed products, including kerosene, biodiesel fuel, waste oil, heavy oil, naphtha, or solvents, in powering licensed motor vehicles

Returns and schedules are due the last day of the month following the month covered by the return. For example, the April return is due May 31.

- **Amending Returns:** Amended returns and payments must be filed and paid electronically (see form instructions)

Exception: [Form MF-017](#), *Wisconsin Blender's Fuel Report*, is due the 15th day of the month following the end of the monthly reporting period.

B. Fuel Diversions

All interstate fuel diversions involving Wisconsin must be reported to DOR using the online Fuel Trac application at trac3.net.

C. Payments

- **Due Date:** Motor vehicle fuel taxes and petroleum inspection fees are due to DOR on or before the 15th day of the month following the month covered by a return, even though the return may be due at the end of the month. For example, fuel taxes and inspection fees reported on the April return are payable on or before May 15.
- **Electronic Payment:** Motor vehicle fuel tax and petroleum inspection fees must be paid by EFT (electronic funds transfer) to DOR's depository bank when the total motor vehicle fuel taxes and petroleum inspection fees due in the prior calendar year are \$1,000 or more. Information about EFT is available online at revenue.wi.gov (search EFT) or call (608) 266-2776

Administrative Allowance: Licensed motor vehicle fuel suppliers may deduct an allowance when remitting the fuel tax on gasoline to the department. A portion of the allowance must be passed on to the wholesaler distributor by the supplier when the distributor pays the gasoline tax to the supplier. The allowance does not pertain to diesel fuel or the petroleum inspection fee.

Prior to January 1, 2020, the motor fuel administrative allowance for suppliers was 1.35% of the total gallons of gasoline subject to the Wisconsin motor vehicle fuel tax. On January 1, 2020, the administrative allowance decreased from 1.35% to 0.675%. This rate was in effect until October 1, 2021, when the administrative allowance increased to 1.35%.

Motor Fuel Administrative Allowance		
	Allowance	Pass on to wholesaler
Prior to January 1, 2020	1.35%	1.25%
Effective January 1, 2020	0.675%	0.625%
Effective October 1, 2021	1.35%	1.25%

- **Tax Payment Delay to Licensee:** A wholesale distributor has the option to delay paying the motor vehicle fuel tax (including petroleum inspection fees) to a licensed supplier until the date the fuel tax is due to DOR by the supplier (the 15th day after the close of the month the wholesale distributor receives the fuel). The following conditions apply:
 - Delayed tax payments must be made by EFT
 - Licensed suppliers must notify DOR of wholesale distributors that elect delayed fuel tax payments
 - Licensed suppliers can terminate the wholesale distributor delayed payment option if such payments are not made when due
- **Uncollectible Motor Vehicle Fuel Taxes:** When a purchaser is unable to pay the motor fuel tax due to a supplier or distributor:
 - Supplier or wholesaler is relieved from the liability for motor vehicle fuel tax on accounts found worthless and charged off for income tax purposes
 - Licensed suppliers may claim a deduction on their monthly supplier's report for the worthless account
 - Wholesale distributors may apply to DOR for a refund using [Form MF-016, Distributor Claim For Tax Refund of Uncollectible Wisconsin Motor Vehicle Fuel Taxes](#)

This relief does not apply to the petroleum inspection fee.

D. Failure to File and Pay

Failure to file and pay motor vehicle tax and petroleum inspection fees when due may result in the following:

- **Delinquent Interest:** Accrues at the rate of 18% per year from the due date of the return to the date paid
- **Late-Filing Fee:** \$10 assessed per late return
- **Late Filing Penalty:** Equals 5% of the fuel tax and inspection fees due for each month or partial month late, up to 25%
- **Regular Interest:** Unpaid motor vehicle fuel taxes and petroleum inspection fees accrue interest at the rate of 12% per year from the due date of the return to the date paid. Overpaid taxes are refunded with interest at the rate of 3% per year.
- **Delinquent Fee:** Equals 6.5% of the total unpaid amount due with a minimum of \$35
- **Revocation of Fuel Licenses:** This action may be taken after a pattern of non-filing, late filing, or non-payment

E. Filing Incorrect Returns

- **Negligence Penalty:** Equals 25% of the additional fuel taxes and inspection fees due if there is negligence in filing an incorrect return
- **Fraud Penalty:** Equals 50% of the fuel taxes and inspection fees due if there is intent to defeat or evade the taxes and fees in filing an incorrect return

F. Misuse of Dyed Diesel Fuel

DOR may impose a penalty on any person who:

- sells dyed diesel fuel to a purchaser the person knows (or has reason to know) will use the dyed fuel in a taxable manner

- uses the dyed fuel in a taxable manner

The penalty is the greater of \$1,000 or twice the applicable tax on the diesel fuel.

A \$1,000 penalty is also imposed on retailers that do not conspicuously label fuel pumps or other delivery facilities that dispense dyed diesel fuel.

The U.S. Government may also impose penalties.

G. Criminal Charges

The following violations may result in criminal charges:

- Acting as a licensee without a license
- Failing or refusing to furnish a fuel return required by DOR
- Filing a false or fraudulent return or helping another person to do so with the intent to defeat or evade the fuel tax and/or petroleum inspection fee
- 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

8. REFUNDS

Purchasers may claim a refund of motor fuel tax paid on gasoline and diesel fuel used in an exempt manner.

A. User Refund Claims

- **Off-Road Use**

Persons who use motor vehicle fuel off-road in mobile machinery and equipment may file a claim for a refund of the Wisconsin motor vehicle fuel tax paid on the fuel purchased. Farmers, construction companies, and logging operations often use motor vehicle fuel in mobile machinery and equipment not licensed for highway use. The petroleum inspection fee is not refundable.

Vehicles with power take-off (PTO) units, such as mobile mixing units, compactors, booms, and drillers, that share the fuel supply tank used to power the vehicles used by construction, waste management, ready-mix, bulk feed, and liquid waste companies may receive a partial refund of the motor vehicle fuel tax paid on fuel placed into the vehicle.

The following table shows the amount of previously paid excise tax eligible for refund (as determined by DOR) by equipment type if the PTO units shares the same fuel supply tank as the vehicle.

	Vehicle Type and Usage	Amount Exempt
1	Ready mix	35%
2	Waste management	30%
3	Liquid waste	15%
4	Urban mass transit (sec. 71.38 , Wis. Stats.)	100%
5	Boom and derrick/digger trucks 20,000 or less gross vehicle weight	15%
6	Boom and derrick/digger trucks more than 20,000 gross vehicle weight	30%

	Vehicle Type and Usage	Amount Exempt
7	Other equipment used 100% off-road	100%
8	Off-road agricultural equipment	100%
9	Bulk feed (PTO) delivery trucks	0.08 gal. per ton

Vehicles with a PTO unit that shares a fuel supply tank not described above should contact DOR at DORExciseTaxpayerAssistance@wisconsin.gov for a study/determination.

Note: Undyed diesel fuel must be purchased with tax included, even if used for off-road purposes. A claim for refund may be filed for undyed diesel fuel used off-road.

CAUTION

- Motor vehicle fuel tax is not refundable when the fuel is used off-road in a snowmobile, recreational motorboat, ATV, or UTV, unless the ATV or UTV is registered for private use.
- Wisconsin and federal penalties may be imposed if dyed diesel fuel is sold or used for taxable purposes (see [Section 7.E.](#)).

- **Native American Tribes**

A tribe is entitled to a refund, from DOR, for fuel tax indirectly paid to a Native or non-Native American supplier if the fuel was delivered to a business on the reservation and used by the business on the tribal reservation.

- **Taxicabs**

Persons who use motor vehicle fuel in operating a taxicab to transport passengers may receive a refund of the Wisconsin motor fuel tax paid. Vehicles used as taxicabs must be designated "Taxi" on Form MV1 or MV11 filed with the Wisconsin DOT.

- **Filing Refund Claims**

File [Form MF-001](#), *Fuel Tax Refund Claim*, with DOR to request a refund of overpaid motor fuel tax.

Due Date: Refund claims must be filed within one year of the date fuel was purchased (not paid). Claims must be for 100 gallons or more. A maximum of two claims may be filed per month.

Documentation: Invoices submitted with Form MF-001 must comply with the Wisconsin fuel tax refund law and administrative rules. (sec. [78.75](#), Wis. Stats).

All invoices submitted with a refund claim must contain the following information:

- Sale date
- Buyer's name and address
- Seller's name and address
- Gallons purchased
- Fuel type
- Purchase price
- Wisconsin fuel tax paid (separately stated)

See [Appendix A](#) for a sample invoice.

Before submitting invoices, verify the following:

- The supplier fully completes the invoice, including the "amount paid" column. This column represents what was actually paid for the fuel purchased.
- A separate invoice for each fuel purchase is included with the claim. Grouping purchases on one invoice is not acceptable.

Refunds Assignment: The right to a fuel refund may not be assigned to another person. The name on the invoice must match the name on the refund claim.

Important: If an invoice is not properly prepared, the refund claim for that invoice will be denied.

B. Unlicensed Vendors

Unlicensed vendors file [Form MF-012, Vendor's Claim for Motor Vehicle Fuel Tax Refund](#), to request a refund of:

- Wisconsin's motor vehicle fuel tax paid on fuel originally purchased for resale but used in an exempt manner
- Wisconsin's petroleum inspection fee paid on fuel sold to the United States government and its agencies

Due Date: Unlicensed vendor refund claims must be filed within four years from the date exempt fuel is sold. An unlicensed vendor may file two refund claims per month.

Refund Claim Program: Unlicensed motor fuel vendors that purchase gasoline and/or undyed diesel fuel with tax included and anticipate making exempt sales of the fuel should register with DOR to speed the refund claim process.

Note: Instead of claiming a refund, **licensed** motor vehicle fuel vendors should take a deduction for exempt fuel sales on their monthly fuel supplier tax returns.

9. OTHER TAX INFORMATION

A. Motorboat Fuel

Wisconsin and the U.S. Government impose motor fuel tax differently on gasoline and diesel fuel used by recreational versus commercial motorboats. The fuel tax treatment is as follows:

- Recreational Motorboats
 - Gasoline: Taxed by both when the fuel is purchased
 - Undyed Diesel Fuel: Taxed by both when the fuel is purchased and refundable by the U.S. Government
 - Dyed Diesel Fuel: Should not be used in motorboats under Wisconsin law, although federal law does allow such use. Undyed diesel fuel should be purchased with the Wisconsin and federal taxes paid and a refund claimed with the U.S. Government.
- Commercial Motorboats
 - Gasoline: Taxed when the fuel is purchased and refundable by Wisconsin and the U.S. Government
 - **Note:** The gasoline may be purchased exempt from Wisconsin motor fuel tax.
 - Undyed Diesel Fuel: Taxed when the fuel is purchased and refundable by Wisconsin and the U.S. Government
 - Dyed Diesel Fuel: The untaxed fuel may be used in a commercial motorboat for Wisconsin or federal motor fuel tax purposes

B. Sales and Use Taxes

Motor fuel subject to the Wisconsin motor fuel tax is exempt from Wisconsin sales or use tax. If the fuel is sold exempt from motor fuel tax or a refund is claimed for the motor fuel tax paid on the fuel, the fuel is subject to the Wisconsin use tax unless another sales or use tax exemption applies. Fuel is exempt from Wisconsin sales or use tax if:

- Consumed in machines and equipment used directly in manufacturing tangible personal property in Wisconsin
- Used in farming
- Used in logging when providing custom farming services
- Used in mobile mixing and processing units (for example, ready-mix units)
- Used for heating a person's permanent principal residence, except motor homes, travel trailers, and recreational vehicles
- For rail freight or other rolling stock used in railroad operations
- Converted to electric energy, gas, or steam by utilities and fuel converted to steam for purposes of resale
- Purchased by a Wisconsin governmental agency or local unit of government, a public school, university or college in Wisconsin, and the federal government
- Purchased by nonprofit organizations that hold a Certificate of Exempt Status issued by DOR
- Used in commercial vessels and barges of 50-ton burden or over which are primarily engaged in interstate or foreign commerce or commercial fishing
- Sold to common or contract carriers for use in auxiliary heating or cooling units of trucks and truck tractors used exclusively and directly in common or contract carriage
- Used in vehicles used for the urban mass transportation of passengers

Fuel used by construction companies in off-road machinery and equipment or to heat business premises is subject to Wisconsin sales or use tax.

For more information about potential use tax liability and exemptions, see [Publication 222](#), *Motor Vehicle Fuel Users: Do You Owe Use Tax?*

C. Interstate Motor Carriers

Motor carriers that cross state lines must pay the motor vehicle fuel tax when the fuel is placed into the fuel supply tanks of motor vehicles in each state. The applicable state motor vehicle fuel tax is charged, or liability incurred, when the fuel is placed into a vehicle's fuel supply tank. The interstate carrier registration and tax reporting requirements for DOR and the Wisconsin DOT are mutually exclusive, as follows:

- **DOR:** There are no registration or reporting requirements with DOR. Wisconsin motor vehicle fuel tax is paid when vehicles are refueled at Wisconsin truck stops or service stations.

If the interstate motor carrier has bulk storage in Wisconsin, the supplier charges the motor vehicle fuel tax on the fuel sold to the carrier. For fuel used by refrigeration units with a separate fuel supply tank, the carrier may:

- claim a refund of the Wisconsin motor vehicle fuel tax (but not petroleum inspection fee) paid on undyed diesel (see [Sections 6.A.](#) and [8.A.](#)), or
- purchase untaxed dyed diesel fuel

- **Wisconsin Department of Transportation:** Interstate motor carriers must file quarterly interstate fuel tax reports of miles driven and fuel purchased in Wisconsin.

Wisconsin is a member of the International Fuel Tax Agreement (IFTA). Mileage, fuel use, and fuel purchase information for other IFTA jurisdictions is also reported through DOT.

Information and application forms are available on [DOT's website](#). Assistance is available from the Motor Carrier Services Section, Fuel Tax Unit by emailing irp-ifta@dot.wi.gov, calling (608) 266-9900, or writing to P.O. Box 7979, Madison, WI 53707-7979.

10. RECORDKEEPING

Returns, reports, and all records pertaining to a fuel business should be kept a minimum of four years. The records must enable you and DOR to determine the correct amount of your motor vehicle fuel tax and petroleum inspection fee.

Wisconsin law requires fuel licensees and others required to file returns and reports with DOR to keep records of purchases (manifests and invoices), receipts, sales, pump meter readings, and use for petroleum products by type and trade name. Keep accurate records of all types of fuel on hand and take and record a physical inventory of each fuel type on hand, separated by bulk and retail, for each location at the close of business on the last day of every month.

For nontaxable fuel sales, maintain records of the sales, including purchaser name and address, sale date, placement location (intended use), gallons sold, and Wisconsin motor vehicle fuel tax deducted from the pump price. Copies of fuel tax exemption certificates ([Form MF-209](#)), or their equivalent documents, must also be retained.

Records must be stored in a place and manner easily accessible for review by DOR personnel.

Caution: When records are not maintained, all fuel withdrawn from a terminal or refinery rack or imported into Wisconsin by a licensed supplier are presumed taxable without benefit of any deductions. Therefore, it is very important that you maintain enough records to show how you determined your motor vehicle fuel tax and petroleum inspection fee.

11. RESOURCES

A. Fuel Tax Evasion

To report suspected fuel tax evasion, complete [Form P-626, Wisconsin Tax information Referral Form](#). Contact DOR at (608) 266-6701 or DORExciseTaxpayerAssistance@wisconsin.gov.

B. DOR Assistance

You can access DOR's website at revenue.wi.gov to:

- Access My Tax Account (MTA)
- Complete electronic and fill-in forms
- Download and review forms, schedules, instructions, and publications
- View commonly asked questions

If you are unable to find an answer to your questions about motor fuel tax and petroleum inspection fees:

- **Email . . .** DORExciseTaxpayerAssistance@revenue.wi.gov
- **Telephone. . .** (608) 266-6701
- **Write . . .** Mail Stop 5-77
Wisconsin Department of Revenue
P.O. Box 8900
Madison, WI 53708-8900
- **Fax . . .** (608) 261-7049
- **Visit . . .** 2135 Rimrock Road
Madison WI 53713

APPENDIX A

SAMPLE FUEL INVOICE

CUSTOMER INVOICE	NO. 12345			
(given to customer)				
ANY OIL COMPANY				
123 Main Street				
Any City, WI 12345				
MM/DD/YYYY				
Sold to: _____ Purchasers Name _____				
Address: _____ Purchaser’s Street, City, Zip Code _____				
Gallons	Items (Product Type)	Price	Amount Paid	
	WI Sales Tax			
	WI Fuel Tax			
	Federal Fuel Tax			
TOTAL				
RECEIVED PAYMENT: ANY OIL COMPANY				
Date: _____		By: _____		
		<i>Signature</i>		