

## Exempt Petroleum Products Certificate

**Statutory Authority:** Conn. Gen. Stat. §12-587.

**General Purpose:** To establish that charges made by a distributor selling **exempt petroleum products** to a purchaser are not subject to the petroleum products gross earnings tax, this certificate must be issued to the distributor by any person who is purchasing exempt petroleum products. Any person purchasing exempt petroleum products must issue this certificate to the distributors.

**Definitions:** For petroleum products gross earning tax purposes, the following products are **exempt petroleum products**:

- The product designated by the American Society for Testing and Materials as "Specification for Heating Oil D396-69," commonly known as Number 2 heating oil, to be used exclusively for heating purposes or to be used in a commercial fishing vessel that qualifies for an exemption under Conn. Gen. Stat. §12-412;
- Kerosene, commonly known as Number 1 oil, to be used exclusively for heating purposes, provided delivery is of both Number 1 and Number 2 oil and via a truck with a metered delivery ticket to a residential dwelling or to a centrally metered system serving a group of residential dwellings;
- For all sales prior to December 1, 2015, the product identified as propane gas to be used **exclusively** for heating purposes;
- For all sales on or after December 1, 2015, the product identified as propane gas to be used **primarily** for heating purposes;
- Bunker fuel oil, intermediate fuel, marine diesel oil, and marine gas oil to be used in any vessel having a displacement exceeding 4,000 dead weight tons or primarily engaged in interstate commerce;
- Any first sale occurring on or after July 1, 2002, of Number 6 fuel oil, as defined in regulations adopted according to Conn. Gen. Stat. §16a-22c, to be used exclusively by a company that, in accordance with census data contained in the *Standard Industrial Classification (SIC) Manual*, 1987, is included in code classifications 2000 to 3999, inclusive, or in Sector 31, 32, or 33 in the *North American Industry Classification Systems (NAICS) United States*, 1997;
- Any first sale occurring on or after July 1, 2002, of Number 2 heating oil used exclusively in a vessel primarily engaged in interstate commerce, which vessel qualifies for an exemption under Conn. Gen. Stat. §12-412;
- Paraffin or microcrystalline waxes and any first sale occurring on or after July 1, 2013, of cosmetic grade mineral oil;
- Any first sale occurring on or after July 1, 2006, of a commercial heating oil blend containing not less than 10% alternative fuels derived from agricultural produce, food waste, waste vegetable oil or municipal solid waste including but not limited to biodiesel or low sulfur dyed diesel fuel. Commercial heating oil includes Number 2 heating oil, Number 4 fuel oil, Number 6 fuel oil, low sulfur dyed diesel fuel and kerosene. Such blended products must be used for commercial heating;
- Any first sale occurring on or after July 1, 2007, within Connecticut of diesel fuel other than diesel fuel to be used in an electric generating facility to generate electricity; **and**
- Any first sale occurring on or after July 1, 2013, within Connecticut of propane gas to be used as a fuel for a school bus.

**Instructions for the Purchaser:** Any person who is purchasing exempt petroleum products, **whether or not for resale to others**, must issue this certificate to the distributor from whom those products are being purchased.

A purchaser who is required to issue this certificate to a distributor must keep a copy of this certificate and the records that substantiate the information entered on the certificate for at least three years from the date it is issued.

This certificate may be used for a single exempt purchase (in which event the purchaser must check the box marked "Certificate for One Purchase Only") or may be used for a continuing line of exempt purchases (in which event the purchaser must check the box marked "Blanket Certificate"). A blanket certificate remains in effect for three years from the date the certificate is issued unless the purchaser revokes it in writing before the period expires.

If the purchaser issues CERT-116 to the distributor for exempt petroleum products that ultimately are not put to an exempt use (for example, Number 2 heating oil to be used exclusively for heating purposes is ultimately used as fuel for a motor vehicle), the purchaser is subject to and must pay the petroleum products gross earnings tax on the products.

**Instructions for the Seller:** Acceptance of this certificate, when properly completed, relieves the seller from the burden of proving the seller's gross earnings from the sale of an exempt petroleum product were not subject to the petroleum products gross earnings tax. The certificate is valid only if taken in good faith by the seller. The good faith of the seller will be questioned if the seller has knowledge of facts that give rise to a reasonable inference that the product sold is not an exempt petroleum product. For example, the seller has knowledge of facts that Number 2 heating oil the seller has sold to the purchaser is likely to be used as fuel for a motor vehicle.

The seller must maintain a copy of this certificate and bills or invoices to the purchaser for at least three years from the date of purchase or, if the certificate is used for a continuing line of exempt purchases, three years from the date of the last purchase. The seller marks the bills, invoices, or records covering all purchases made under this certificate with the words "Exempt Petroleum Products Certificate" or "Exempt under CERT-116" to indicate an exempt purchase has occurred.

If the distributor is making a first sale in this state of petroleum products, some of which are exempt petroleum products and others of which are non-exempt petroleum products, tax is due on the distributor's gross earnings from the first sale of non-exempt petroleum products. The distributor's invoice should indicate that the tax applies to the gross earnings from the sale of the non-exempt petroleum products.

**For More Information:** Call the Excise Taxes Unit at **860-541-3224**. If you have questions about other Connecticut taxes, call the Department of Revenue Services (DRS) during business hours, Monday through Friday at **1-800-382-9463** (Connecticut calls outside the Greater Hartford calling area only) or **860-297-5962** (from anywhere). **TTY, TDD, and Text Telephone users only** may transmit inquiries anytime by calling **860-297-4911**. Visit the DRS website at **www.ct.gov/DRS** to download and print Connecticut tax forms.

Name of purchaser:	Address:	Federal Employer Identification Number
		Connecticut Tax Registration Number (If none, explain)
Name of distributor:	Address:	Federal Employer Identification Number
		Connecticut Tax Registration Number (If none, explain)

Check One Box: ☐ Blanket Certificate ☐ Certificate for One Purchase Only

Description of Petroleum Product(s) Sold:

- ☐ The product designated by the American Society for Testing and Materials as "Specification for Heating Oil D396-69," commonly known as Number 2 heating oil, to be used exclusively for heating purposes or to be used in a commercial fishing vessel, which vessel qualifies for an exemption under Conn. Gen. Stat. §12-412;
- ☐ Kerosene, commonly known as Number 1 oil, to be used exclusively for heating purposes, provided delivery is of both Number 1 and Number 2 oil and via a truck with a metered delivery ticket to a residential dwelling or to a centrally metered system serving a group of residential dwellings;
- ☐ For all sales prior to December 1, 2015, the product identified as propane gas to be used **exclusively** for heating purposes; for all sales on or after December 1, 2015, the product identified as propane gas to be used **primarily** for heating purposes; or any first sale occurring on or after July 1, 2013, of propane gas to be used as a fuel for a school bus;
- ☐ Bunker fuel oil, intermediate fuel, marine diesel oil, and marine gas oil to be used in any vessel having a displacement exceeding 4,000 dead weight tons or primarily engaged in interstate commerce;
- ☐ Any first sale occurring on or after July 1, 2002, of Number 6 fuel oil, as defined in regulations adopted according to Conn. Gen. Stat. §16a-22c, to be used exclusively by a company which, in accordance with census data contained in the *Standard Industrial Classification (SIC) Manual*, 1987, is included in code classifications 2000 to 3999, inclusive, or in Sector 31, 32, or 33 in the *North American Industry Classification Systems (NAICS) United States*, 1997;
- ☐ Any first sale occurring on or after July 1, 2002, of Number 2 heating oil to be used exclusively in a vessel primarily engaged in interstate commerce, which vessel qualifies for an exemption under Conn. Gen. Stat. §12-412;
- ☐ Paraffin or microcrystalline waxes;
- ☐ Any first sale occurring on or after July 1, 2006, of a commercial heating oil blend containing not less than 10% alternative fuels derived from agricultural produce, food waste, waste vegetable oil or municipal solid waste including but not limited to biodiesel or low sulfur dyed diesel fuel. Commercial heating oil includes Number 2 heating oil, Number 4 fuel oil, Number 6 fuel oil, low sulfur dyed diesel fuel and kerosene. Such blended products must be used for commercial heating;
- ☐ Any first sale occurring on or after July 1, 2007, within Connecticut of diesel fuel, other than diesel fuel to be used in an electric generating facility to generate electricity; **or**
- ☐ Any first sale occurring on or after July 1, 2013, within Connecticut of cosmetic mineral oil.

### Declaration by Purchaser

The petroleum product(s) described above is an **exempt petroleum product** as defined in this certificate and charges for the product(s) are not subject to the petroleum products gross earnings tax.

I declare under penalty of law that I have examined this certificate (including any accompanying schedules and statements) and to the best of my knowledge and belief, it is true, complete, and correct. I understand the penalty for willfully delivering a false return to DRS is a fine of not more than \$5,000, or imprisonment for not more than five years, or both. The declaration of a paid preparer other than the taxpayer is based on all information of which the preparer has any knowledge.

\_\_\_\_\_  
Name of Purchaser

By:

\_\_\_\_\_  
Signature of Authorized Owner, Officer, or Agent

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date