



STATE OF CONNECTICUT  
DEPARTMENT OF REVENUE SERVICES

SN 2006(2)

25 Sigourney Street  
Hartford CT 06106-5032

SPECIAL NOTICE

**2006 Legislative Changes Affecting the Petroleum Products Gross Earnings Tax Effective July 1, 2006**

**Purpose:** This Special Notice describes the changes made to the petroleum products gross earnings tax during the 2005 and 2006 sessions of the Connecticut General Assembly.

**Effective Date:** The effective dates of the legislative changes are noted in this publication.

**Statutory Authority:** Conn. Gen. Stat. §12-587 as amended by 2006 Conn. Pub. Acts 143, §2 and by 2005 Conn. Pub Acts 4, June Special Session, §40.

**Exemption for Commercial Heating Oil Containing Certain Alternative Fuels:** Effective July 1, 2006, gross earnings derived from the first sale 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, are exempt from tax.

Taxpayers may only claim this exemption for a heating oil blend when such blend is used for commercial heating. This exemption may not be claimed for an oil blend used for any other purpose.

**Incremental Rate Increase for Petroleum Products Gross Earnings Tax:** For calendar quarters beginning on or after July 1, 2006, gross earnings of companies engaged in the refining or distribution (or both) of petroleum products from the first sale within Connecticut of petroleum products are taxed at the rate listed below:

<u>on or after</u>	<u>but before</u>	<u>the tax rate is</u>
July 1, 2006	July 1, 2007	6.3 %
July 1, 2007	July 1, 2008	7.0 %
July 1, 2008	July 1, 2013	7.5 %
July 1, 2013	—	8.1 %

**Effect on Other Documents:** Form OP-161, *Petroleum Products Gross Earnings Tax Return*; Form OP-218, *Petroleum Products Gross Earnings Tax, Tax Certification to Products Purchased in Connecticut But Sold Out of State*; Form OP-219 *Petroleum Products Gross Earnings Tax, Gross Earnings - Out-of-State Affidavit With Reference to the Sales of Petroleum Products Sold Exclusively for Sale or Use in Another State*; and CERT-116, *Exempt Petroleum Products Certificate*, will be revised to reflect these rate increases and new exemption.

**Effect of This Document:** A Special Notice announces a new policy or practice in response to changes in State or federal laws or regulations or to judicial decisions. A Special Notice indicates an informal interpretation of Connecticut tax law by the Department of Revenue Services (DRS).

**For Further Information on the Petroleum Products Gross Earnings Tax or this Special Notice:** For further information on the petroleum products gross earnings tax or this Special Notice, call the Excise Taxes Unit of the Audit Division at 860-541-3224 from 8:30 a.m. to 4:30 p.m., Monday through Friday.

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**For Further Information:** Call DRS during business hours, Monday through Friday:

- **1-800-382-9463** (in-state); or
- **860-297-5962** (from anywhere)

**TTY, TDD, and Text Telephone users only** may transmit inquiries anytime by calling 860-297-4911.

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**Forms and Publications:** Forms and publications are available anytime by:

- **Internet:** Visit the DRS Web site at [www.ct.gov/DRS](http://www.ct.gov/DRS) to download and print Connecticut tax forms; or
  - **Telephone:** Call **860-297-4753** (from anywhere), or **1-800-382-9463** (in-state) and select **Option 2** from a touch-tone phone.
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**Paperless Filing/Payment Methods (fast, easy, free, and confidential):**

- **For business returns:** Use *Fast-File* to file sales and use taxes, business use tax, room occupancy tax, estimated corporation business tax, business entity tax, attorney occupational tax, nursing home provider fee, admissions and dues tax, or withholding tax returns over the Internet. Visit the DRS Web site at [www.ct.gov/DRS](http://www.ct.gov/DRS) and click on *File/Register OnLine*.
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- **For payment of business taxes other than those listed above:** Use *Fast-File* to pay your business taxes over the Internet or by phone. Visit the DRS Web site at [www.ct.gov/DRS](http://www.ct.gov/DRS) and click on *Electronic Services* for a list of eligible taxes. The ACH debit method is used to make the transfer. No preregistration is required.
  - **For resident income tax returns:** Use *WebFile* to file personal income tax returns over the Internet. Visit the DRS Web site at [www.ct.gov/DRS](http://www.ct.gov/DRS) and click on *File/Register OnLine*.
  - **For electronic filing of income tax extensions, estimated payments, and for electronic bill payments:** Use *WebFile* to electronically file personal income tax returns over the Internet. You can also use *WebFile* to make an electronic income tax payment for a prior year. Visit the DRS Web site at [www.ct.gov/DRS](http://www.ct.gov/DRS) and click on *File/Register OnLine*.
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