



APA-6  
10/96

**ECONOMIC IMPACT STATEMENT  
FOR APA RULE  
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-8-1-.02

Rule Title: Application of Excise Tax on Blendstocks

           New   X   Amend            Repeal            Adopt by Reference

- NO  
 YES

This rule has no economic impact.  
This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:
8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND

BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE  
BENEFITS AND BURDEN COMPARISON:

9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:
10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:
11. OTHER COMMENTS:

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**ALABAMA DEPARTMENT OF REVENUE  
Business License Tax Division**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE**

810-8-1-.02                      Application of Excise Tax on Blendstocks

**INTENDED ACTION:**        Amend Rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to amend the above rule to only reference the Code Section for the definitions.

**RULE NO. & TITLE**

810-8-1-.66                      Inspection Fee Bond Calculation

**INTENDED ACTION:**        Adopt rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to adopt the above rule to clarify the calculation of the additional inspection fee bond amount as referenced in Section 8-17-96.

810-8-1-.68                      Electronic Filing of Inspection Fee Return

**INTENDED ACTION:**        Adopt rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to adopt the above rule to establish the conditions that must be met in order to receive a waiver for electronic filing of the inspection fee return and establishes the requirements for timely electronically filing the return and remitting the electronic payment.

810-8-1-.69                      Inspection Fee Back Up Tax Report

**INTENDED ACTION:**        Adopt rule

**SUBSTANCE OF PROPOSED ACTION:** The department proposes to adopt the above rule to clarify when a backup tax return is due on dyed diesel fuel, dyed kerosene, and/or lubricating oil.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** A public hearing will be held at **2:00 p.m. on Thursday, April 7, 2016, Room 1203, First Floor**, Gordon Persons Building, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://revenue.alabama.gov/analysis/upcoming-rule-hearings.cfm>

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also appear at the hearing to present their views.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

Thursday, April 7, 2016

**CONTACT PERSON AT AGENCY:**

Timothy Sanders  
Alabama Department of Revenue  
4131 Gordon Persons Building  
Montgomery, Alabama 36132  
(334) 242-1380



Michael D. Gamble, Secretary  
Alabama Department of Revenue

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810-8-1-.02 Application of Excise Tax on Blendstocks.

(1) Blended fuel, as defined in Section 40-17-322(6), Code of Alabama 1975, is a mixture composed of gasoline or diesel fuel and any other liquid that can be used as a motor fuel in a highway vehicle. Therefore, blendstocks, as defined under Section 4081, Title 26 of the United States Code, not used to produce a finished motor fuel that can be used in a highway vehicle is not taxable under Section 40-17-326, Code of Alabama 1975. The excise tax applies when blendstocks are blended with gasoline or diesel fuel.

(2) If the blendstocks are blended with gasoline or diesel fuel below the rack and imported into Alabama, then the excise tax applies at the time the blended product is imported into Alabama in accordance with Section 40-17-326(b) Code of Alabama 1975.

(3) If the blendstocks are blended with gasoline or diesel fuel in this state outside the bulk transfer terminal system, then the blender is required to pay the tax in accordance with Section 40-17-326(d), Code of Alabama 1975.

(4) In accordance with Section 40-17-332(g), Code of Alabama 1975, blenders are required to obtain a blender's license.

(5) Any person who engages in business for which a blender's license is required without obtaining a blender's license may be subject to civil penalties in accordance with Section 40-17-351, Code of Alabama 1975.

Author: Bonita Calhoun  
Authority: Sections 40-2A-7(a)(5), 40-17-322 and 40-17-326, Code of Alabama 1975.  
History: Effective October 1, 1978  
Repealed: Filed June 29, 2012, effective August 3, 2012.  
New rule: Filed October 27, 2014, effective December 1, 2014.