

FYI – For Your Information

Liquefied Petroleum Gas (LPG) or Natural Gas (NG) Decals

WHO MUST REGISTER AND DISPLAY A DECAL?

All Colorado-licensed motor vehicles powered by liquefied petroleum gas (LPG) or natural gas (NG) are required to pay an annual fee to obtain an LPG/NG decal from the Department of Revenue. The LPG/NG decal indicates that the vehicle owner has pre-paid the special fuel tax. Vehicles registered in Colorado can not purchase LPG/NG fuel in Colorado without a decal.

Exception: Government registered and plated vehicles do not require decals and can purchase LPG and NG fuel without paying tax. However, a government vehicle with regular Colorado plates must display a decal.

APPLICATION PROCEDURES

To obtain a decal you must submit a completed "Application for Liquefied Petroleum Gas or Natural Gas Decal" (DR 1585) with the appropriate fees.

Applications may be obtained on the Web at www.taxcolorado.com, any Revenue Taxpayer Service Centers statewide, or by calling the Department of Revenue at (303)238-FAST(3278).

PLACEMENT OF LPG/NG DECAL

The decal must be affixed to the upper right-hand corner of the windshield of the vehicle for which the LPG/NG decal was purchased.

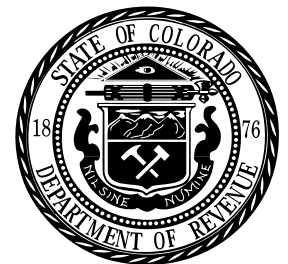
Out-of-State Vehicles

Operators of vehicles licensed out-of-state must pay special fuel tax of 20.5 cents per gallon for LPG/NG fuel at the time of purchase. The fuel dealer must collect special fuel tax. This procedure includes writing up an invoice with date, vehicle license number, number of gallons or energy equivalent of gallons, and tax. The fuel dealer must be a Colorado licensed distributor to sell LPG/NG fuel to out-of-state vehicles and collect the tax.

DECAL FEES

The LPG/NG decal fees are administered on a calendar-year basis except for the first year that a decal is purchased, then the fees are prorated on a monthly basis in accordance with the schedules in the table below.

Example: An LPG vehicle that has an empty weight of 14,500 pounds and has a gross weight of 26,000 pounds is purchased April 10, 1996. To find the tax due for the remainder of calendar year 1997, find April on the first line of the schedule. The fee corresponding to April for a vehicle with a gross weight of 26,000 pounds is \$93.75.



Colorado Department of Revenue
Taxpayer Service Division
1375 Sherman St.
Denver, Colorado 80621

Forms and other services:
(303) 238-FAST (3278)

Assistance:
(303) 238-SERV (7378)
Fuel Tax: (303) 205-8205

www.taxcolorado.com

**Prorated LPG Annual Decal Fees
For the Number of Complete or Partial Months Remaining in the Calendar Year**

| | Jan | Feb | March | April | May | June | July | Aug | Sept | Oct | Nov | Dec |
|---|--------|--------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Vehicles with a Gross Weight of 10,000 Pounds or Less | 70.00 | 64.17 | 58.33 | 52.50 | 46.67 | 40.83 | 35.00 | 29.17 | 23.33 | 17.50 | 11.67 | 5.83 |
| Vehicles with a Gross Weight of 10,001 - 16,000 Pounds | 100.00 | 91.67 | 83.33 | 75.00 | 66.67 | 58.33 | 50.00 | 41.67 | 33.33 | 25.00 | 16.67 | 8.33 |
| Vehicles with a Gross Weight of more than 16,000 Pounds | 125.00 | 114.58 | 104.17 | 93.75 | 83.33 | 72.92 | 62.50 | 52.08 | 41.67 | 31.25 | 20.83 | 10.42 |

RENEWAL APPLICATION PROCEDURES

After the first year of registration, the vehicle owner is required to pay the full fee to obtain the decal.

Decals Purchased from DOR

Vehicle owners who applied and registered with the Colorado Department of Revenue will receive a "Renewal Application for Liquefied Petroleum Gas or Natural Gas Decal" (DR 1689) on which the following information will be preprinted: license name, "DBA" or trade name, address, account number, Federal Employer Identification Number (FEIN) or Social Security Number (SSN), period covered, and due date. Renewals are mailed in November to allow time for vehicle owners to return the forms with the fee. Decals are mailed before Jan. 1. If you do not receive a renewal application, contact DOR.

Decal renewal fees are the full fee and are not prorated.

DECAL RENEWAL FEES:

| Gross Vehicle Annual Decal Weight in Pounds per Vehicle | Fee per Vehicle |
|--|------------------------|
| 10,000 or less | \$ 70 |
| 10,001 - 16,000 | \$100 |
| More than 16,000 | \$125 |

Gross Vehicle Weight is the total empty weight of the power unit and trailer, if applicable, plus the total weight of the load or cargo.

ADDRESS OR BUSINESS NAME CHANGES

If you move your business and/or change the name of your business, even though there is no change in ownership, you must notify the Department of Revenue of such a change. You must send written notification or make the correction on the front of your renewal application. For trade names please note that trade name registration and information for individuals and general partnerships will be handled by the Colorado Secretary of State beginning May 30, 2006.

SALE OF LPG/NG-POWERED VEHICLE

The LPG/NG decal and decal fee paid is transferable upon a change of ownership of a motor vehicle. When the LPG/NG decal is up for renewal, the new owner is responsible for either obtaining a new account or adding the vehicle to his/her current account to obtain the next annual decal.

PENALTIES

Any person who puts liquefied petroleum gas or natural gas into a fuel tank of a licensed motor vehicle not displaying an LPG/NG decal without collecting the excise tax is subject to penalties provided by [§39-27-114 and 39-27-120 C.R.S.]

Out-of-state vehicles will not have decals and can be fueled. However, the special fuel tax must be collected. Only licensed distributors are allowed to sell LPG/NG fuel to out-of-state vehicles, as they have the authority to collect and ability to remit tax to the State of Colorado.

FURTHER INFORMATION

FYIs and commonly used forms are available on the Web at www.taxcolorado.com

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue, nor does it replace, alter, or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having authority to bind the Department, has not formally reviewed and/or approved these FYIs.