



FYI Excise 6

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 obtain an LPG/NG decal from the Department of Revenue and pay an annual fee. The LPG/NG decal indicates that the vehicle owner has pre-paid the special fuel tax. Vehicles registered in Colorado cannot purchase LPG/NG fuel in Colorado without a decal. [39-27-102.5 (5), C.R.S.]

Exception: Vehicles with government registration and government license plates do not require decals and can purchase LPG and NG fuel without paying tax. A government vehicle without government plates must display a decal. Contact the department for more information.

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 site at www.TaxColorado.com, any 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 for LPG/NG fuel at the time of purchase. The fuel dealer must collect the 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. When a vehicle is purchased during the year, the fees are prorated on a monthly basis in accordance with the information contained within 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. To find the tax due for the remainder of calendar year, 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.

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	64.17	58.33	52.5	46.67	40.83	35	29.17	23.33	17.5	11.67	5.83
Vehicles with a Gross Weight of 10,001 - 16,000 Pounds	100	91.67	83.33	75	66.67	58.33	50	41.67	33.33	25	16.67	8.33
Vehicles with a Gross Weight of more than 16,000 Pounds	125	114.58	104.17	93.75	83.33	72.92	62.5	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. If you do not receive a renewal application, contact the Fuel Tax Unit.

The annual fee is listed below:

Decal Renewal Fees:

Gross Vehicle Weight in Pounds per Vehicle	Annual Decal 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 to: Colorado Department of Revenue, Fuel Tax Unit, 1375 Sherman St. Room 200, Denver, CO 80261-0009.

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.

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 the authority to bind the Department, has not formally reviewed, and/or approved these FYIs.