

**138.358 Home heating, agricultural, nonprofit, governmental, or nonhighway purposes gasoline or special fuels credit to dealers.**

- (1) Any special fuels dealer who delivers special fuels, on which the tax imposed by KRS 138.220 has been paid, into a tank having no dispensing outlet and used exclusively to heat a personal residence, shall be entitled to claim a credit against the tax due pursuant to KRS 138.220 equal to the tax paid on the fuel if the dealer obtains from the purchaser and retains in his files a signed and dated statement from the purchaser certifying that the fuel will be used exclusively to heat the personal residence to which it is delivered. No person so certifying shall use the special fuel for any other purpose. The Department of Revenue may require dealers claiming the credit authorized herein to submit information required by the department to reasonably protect the revenues of the Commonwealth.
- (2) Any special fuels dealer who sells gasoline or special fuels, on which the tax imposed by KRS 138.220 has been paid, exclusively for the purpose of operating or propelling stationary engines or tractors for agricultural purposes, shall be entitled to claim a credit against the tax due pursuant to KRS 138.220 equal to the tax paid on the fuel if the dealer obtains from the purchaser and retains in his files a signed and dated statement from the purchaser certifying that the fuel will be used exclusively for the purpose of operating or propelling stationary engines or tractors for agricultural purposes. No person so certifying shall use gasoline or the special fuels for any other purpose. Sales made from a retail filling station do not qualify for the credit. The Department of Revenue may require dealers claiming the credit authorized herein to submit information required by the department to reasonably protect the revenues of the Commonwealth.
- (3) Any special fuels dealer who delivers special fuels, on which the tax imposed by KRS 138.220 has been paid, into a nonhighway use storage tank of a resident nonprofit religious, charitable, or educational organization or state or local governmental agency which has qualified for exemption from Kentucky sales and use tax pursuant to KRS 139.470(7) or 139.495 shall be entitled to claim a credit against the tax due pursuant to KRS 138.220 equal to the tax paid on the fuel if the dealer obtains from the purchaser and retains in his files a signed and dated statement certifying the purchaser's sales and use tax purchase exemption authorization issued pursuant to KRS Chapter 139. No organization or agency so certifying shall use or allow the use of any nonhighway special fuel so acquired for any purpose other than fueling unlicensed vehicles or equipment for nonhighway purposes. The Department of Revenue may require dealers claiming the credit authorized herein to submit information required by the department to reasonably protect the revenues of the Commonwealth.
- (4) Any special fuels dealer who sells special fuels, on which the tax imposed by KRS 138.220 has been paid, which shall be used exclusively for consumption in unlicensed vehicles or equipment for nonhighway purposes, shall be entitled to claim a credit against the tax due pursuant to KRS 138.220 equal to the tax paid on the fuel if the dealer obtains from the purchaser and retains in his files a signed and dated statement from the purchaser certifying that the fuel will be used exclusively

for nonhighway purposes. No person making the certification shall use the special fuels for any other purpose. Sales made from a retail filling station do not qualify for the credit. The Department of Revenue may require dealers claiming the credit authorized in this subsection to submit information required by the department to reasonably protect the revenues of the Commonwealth. This credit shall not apply to special fuels taxes subject to a refund under KRS 138.445.

**Effective:** June 20, 2005

**History:** Amended 2005 Ky. Acts ch. 85, sec. 380, effective June 20, 2005. -- Amended 2002 Ky. Acts ch. 33, sec. 2, effective July 15, 2002. -- Amended 2000 Ky. Acts ch. 397, sec. 2, effective July 14, 2000. -- Amended 1994 Ky. Acts ch. 3, sec. 1, effective July 15, 1994. -- Amended 1990 Ky. Acts ch. 98, sec. 12, effective July 13, 1990. -- Created 1988 Ky. Acts ch. 285, sec. 28, effective August 1, 1988.