

IMPORTER/EXPORTER

An Importer is any person who purchases or owns motor fuel or special fuel in another state or country and transports or delivers or causes the fuel to be transported or delivered into South Dakota. Importers must be licensed in South Dakota and are responsible for paying fuel tax to South Dakota on any fuel that enters the state by any means other than a pipeline, unless the South Dakota tax has already been collected and paid to the State by a licensed Supplier.

An Exporter is any person who purchases or owns motor fuel or special fuel in South Dakota and transports or delivers or causes the fuel to be transported or delivered to another state or country. Exporters must be licensed to do business in South Dakota. In order to obtain a South Dakota license, the Exporter must first be licensed to collect and remit taxes or deal in tax-exempt fuel in the state to which he or she intends to export fuel. Certain penalties may be assessed by law on persons who export fuel from South Dakota without a valid Exporter license. Penalties may also be assessed on Ethanol Brokers, Ethanol Producers, Suppliers and Bulk Plant Operators who sell fuel products to a person who does not have a valid exporter license.

If an Exporter purchases or acquires fuel at a South Dakota terminal and the bill of lading indicates a destination outside of South Dakota, no fuel tax is charged. However, if the Exporter later diverts the fuel to a South Dakota destination, the Exporter is required to remit fuel tax on that diversion. If an Exporter withdraws fuel from bulk storage for export, upon which South Dakota fuel tax has been paid, they will qualify for a credit.

South Dakota relies on the information that is printed on the bill of lading to determine taxability of fuel products. The Supplier must bill the customer in accordance with the destination information that is presented on the bill of lading, and their involvement with the transaction should end there. If the load is to be diverted, the Importer/Exporter must prepare or have the Transporter prepare a proper diversion ticket. If a credit of taxes paid or a refund is due on a diverted load, the Importer/Exporter (not the Supplier) must apply for it.

In short, the following responsibilities apply:

- **SUPPLIER** – remits taxes to South Dakota based on the destination state information printed out on the bill of lading.
- **IMPORTER/EXPORTER** – responsible for paying taxes or applying for a refund of taxes that is caused by the diversion of fuel from the original destination listed on the bill of lading.

Ethanol Blends and Methanol Blends

With the 2009 South Dakota Legislative Session, it was decided to tax all Ethyl Alcohol and all Methyl Alcohol at the rate of \$.08 per gallon plus the \$.02 per gallon Tank Inspection Fee. This was done because of various levels of ethanol blends now seen in the industry. **If an Importer transports an ethanol blend or methanol blend into South Dakota, the drop load ticket and/or diversion ticket must list the alcohol gallons and**

gasoline gallons separately. If an Exporter transports an ethanol blend or methanol blend out of South Dakota, the bill of lading, drop load ticket, and/or diversion ticket must list the alcohol gallons and gasoline gallons separately.

Record Keeping/Acceptable Records

To ensure that the correct amount of fuel tax is collected on all fuel used on South Dakota roads and highways, the law requires Importer/Exporter to keep detailed records of all fuel transactions and deliveries. Importers/Exporters will need these records to accurately complete tax returns and must present them to Department personnel if they are audited or have their licenses reviewed. Records are to be maintained for a period of at least 30 days at the delivery location or a location approved by the Secretary. All records must be preserved for the current year and the three preceding calendar years.

Sales Records

Licensed Importers/Exporters must keep all sales invoices which must show the following:

- The seller's name and address, which shall be machine-printed or rubber stamped;
- The purchaser's name and address;
- The date of sale and delivery of the fuel;
- The number of gallons sold and delivered to the purchaser, the type of fuel and if diesel whether it was dyed or undyed;
- The price charged per gallon;
- The amount of fuel tax or sales tax charged, if any; and
- The total amount of the sales invoice

All invoices must be prepared on NCR (no carbon required) paper with double-faced carbon so that the back of the invoice bears a carbon impression of the data on the front.

Other Records Required of Importers/Exporters

Licensed Importers/Exporters must maintain shipping records that indicate the ultimate destination for all products. These records must contain:

1. Copies of the bill of lading. The bill of lading must contain the following:
 - The terminal or bulk plant name and address;
 - The date the fuel was withdrawn from the terminal;
 - The name and address of the Supplier, shipper, or owner of fuel within a bulk plant if withdrawn from a bulk plant bulk plant;
 - The name of the Transporter or carrier;
 - The destination state. A petroex or similar number does not fulfill this requirement;
 - The bill of lading number;
 - The number of gross gallons of each type of fuel;
 - The type of fuel product transported;
 - If the fuel contains ethyl alcohol or methyl alcohol, the number of gallons of ethyl alcohol, the number of gallons of methyl alcohol, the number of gallons of gasoline, or the number of gallons of any other motor fuel that are contained therein;
 - The name and address of the consignee; and

- Any other information which the Secretary deems necessary for the administration and enforcement of this chapter.
2. Drop load tickets for product delivered within South Dakota. The drop load ticket must contain the following:
 - The Transporter's or carrier's name and address;
 - The date of delivery of the fuel;;
 - The drop load ticket number;
 - The destination state on the original bill of lading, or diversion ticket, if issued;
 - The original bill of lading, and if available, the diversion ticket number;
 - The destination state of each location at which the fuel was off-loaded;
 - The number of gross gallons off-loaded at each location;
 - The type of fuel off-loaded at each location;
 - If the fuel contains ethyl alcohol or methyl alcohol, the number of gallons of ethyl alcohol, the number of gallons of methyl alcohol, the number of gallons of gasoline, or the number of gallons of any other motor fuel that are contained therein;
 - Any other information which the Secretary deems necessary for the administration and enforcement of this chapter.
 3. Diversion tickets must be issued when the actual destination state differs from the destination indicated on the bill of lading. A diversion ticket must contain the following:
 - The Transporter's or carrier's name and address;
 - The date and time the fuel was withdrawn from the terminal;
 - The diversion ticket number;
 - The name and address of the supplier or shipper indicated on the original bill of lading or the owner of fuel within the bulk plant if withdrawn from a bulk plant;
 - The destination state;
 - The bill of lading number;
 - The terminal or bulk plant from which the product was withdrawn;
 - The number of gross gallons for each fuel type being diverted;
 - The type of fuel being diverted;
 - If the fuel contains ethyl alcohol or methyl alcohol, the number of gallons of ethyl alcohol, the number of gallons of methyl alcohol, the number of gallons of gasoline, or the number of gallons of any other motor fuel that are contained therein;
 - Any other information which the Secretary deems necessary for the administration and enforcement of this chapter.
 4. Invoices when delivered by tanker load

All invoices involving customer transactions must contain the customer's name and address.

The Secretary of Revenue & Regulation may require other pertinent records and papers necessary for the enforcement of fuel tax laws, including purchase records, journals, ledgers, payment records and banking records.

Payment and Reporting Schedule

All fuel tax due from an Importer/Exporter must be remitted to the Department of Revenue & Regulation on or before the last day of the month following the month in which the fuel was sold. A monthly tax return must be submitted at the same time. For example, an Importer/Exporter would remit all tax collected in September by October 31st. If the last day of the month falls on a Sunday or legal holiday, the tax and report are due on the next business day.

Allowances

A licensed Importer/Exporter who reports and pays taxes on time may retain 1.5 percent of the fuel tax due on each gallon. No allowance will be paid for fuel exported from South Dakota.

Refunds

A licensed Importer/Exporter may apply for and obtain a refund for taxes paid to this state on motor fuel and undyed special fuel under the following conditions:

- Fuel which was loaded at a bulk plant in this state and exported;
- Fuel that is loaded at a terminal in this state indicating South Dakota as the destination state and then diverted to another state;
- Fuel that is withdrawn from an out-of-state terminal, and purchased from a licensed Supplier, with a South Dakota destination, and is then diverted to another state; and
- Fuel purchased from a licensed Supplier indicating South Dakota as the destination state and then diverted to another state.

South Dakota Importer and Exporter Tax Return

* Instructions on Back of Return

Mail Return To: Remittance Center
P.O. Box 5055
Sioux Falls, SD 57117-5055

Report in Whole **Gross** Gallons Only

Check here if this is an amended return Tax Liability	Column A Gasoline	Column B 100% Ethyl Alcohol	Column C AVGAS	Column D Dyed Diesel & Kerosene	Column E Undyed Diesel & Kerosene	Column F Jet Fuel	Column G Dyed Biodiesel Blend	Column H Undyed Biodiesel Blend	Column I 100% Methyl Alcohol	Column J Other /Natural Gasoline
1 Imports 1										
2 Fuel Diverted to SD 2										
3 Total Gallons -- Add Lines 1 and 2 3										
Credits										
4 Tax Paid Imports 4										
5 Exports from bulk storage 5										
6 Undyed K-1 kerosene 6										
7 Tax paid fuel diverted out of South Dakota / Tax paid on exports 7										
8 Total Credits - Add lines 4, 5, 6, and 7 8										
9 Tax unpaid exports 9										
Tax Computation										
10 Subtotal Taxable Gallons Subtract Line 8 from Line 3 10										
11 Allowance of 1.5% (if filing on time) Multiply Line 10 by 0.015 11										
12 Total Taxable Gallons Subtract Line 11 from Line 10 12										
13 Tax Rates 13	X \$0.22	X \$0.08	X \$0.06	X \$0.00	X \$0.22	X \$0.04	X \$0.00	X \$0.22	X \$0.08	X \$0.22
14 Taxes Due - Multiply Line 12 by Line 13 14	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
15 Total Taxes Due - Add A-J on Line 14 15										\$

Gallons of Biodiesel you sold to a licensed Blender, Exporter, or Supplier (Attach Uniform Schedule of Disbursement - Type 6a, 6b, or 6d)	16
Gallons of Biodiesel sold to a party not licensed as a Blender, Exporter, or Supplier. (If licensed as a Blender - Report on your blender return - Line 4, Column D.)	17
18 Total gallons Tax Due on sales of Biodiesel (Multiply Line 17 by \$0.22)	\$
19 Total Gallons - Line 10 Columns A-J and Line 6 Column E, & Line 17	19

20 Tank Inspection Fee - Multiply Line 19 by \$0.02	20	\$
21 Grand total of taxes due and tank inspection fee (Add Lines 15, 18, and 20)	21	\$
22 Interest and Penalty if filing after due date	22	\$
23 Balance Due or Credit From Prior Reporting Period	23	\$
24 Grand Total - Add Lines 21 and 22, and add or subtract Line 23 (depending on balance or credit)	24	\$

Printed Name: _____	Phone: () - ext. _____	Date: _____	Title: _____
MV-594 (7/09)	I declare and affirm under penalty of perjury that this report has been examined by me, and to the best of my knowledge and belief is in all things true and correct.		Signature _____

Importer/Exporter Tax Return Instructions

Line 1: Import - Report total gallons of fuel imported by means other than a pipeline into South Dakota (Attach Uniform Schedule of Receipts - Type 1a or 2a).

Line 2: Fuel Diverted to SD - Report total gallons of fuel pulled from a pipeline with an original destination outside South Dakota but then diverted back into South Dakota.

Line 4: Tax Paid Imports - Report total gallons of fuel imported that were purchased from a licensed out-of-state supplier with South Dakota taxes already paid (Attach Uniform Schedule of Receipts - Type 1a).

Line 5: Exports from Bulk Storage - Report total gallons of fuel from your bulk storage exported out of South Dakota by means other than pipeline (Attach Uniform Schedule of Disbursements - Type 7).

Line 6: Undyed K-1 Kerosene - Report total gallons of undyed K-1 kerosene sold for non taxable purposes (Attach Uniform Schedule of Disbursements - Type 10).

Line 7: Tax Paid Fuel Diverted out of SD - Report total gallons of fuel pulled from a pipeline in South Dakota or purchased from a licensed out-of-state supplier with South Dakota taxes paid which were directed to a state other than South Dakota (Attach Uniform Schedule of Disbursements - Type 5).

Line 9: Tax Unpaid Exports - Report total gallons of tax unpaid fuel exported out of South Dakota by truck or rail directly from pipeline terminals and licensed ethanol producer locations (Attach Uniform Schedule of Disbursements - Type 7).

Importer/Exporter Return Instructions

1. Report total gallons of fuel imported by means other than a pipeline into South Dakota – Attach Uniform Schedule of Receipts Type 1a or 2a.
2. Report total gallons of fuel pulled from a pipeline with an original destination outside South Dakota but then diverted back into South Dakota.
3. Total gallons – Add Lines 1 and 2.
4. Report total gallons of fuel imported that were purchased from a licensed out of state Supplier with South Dakota taxes already paid – Attach Uniform Schedule of Receipts Type 1a.
5. Report total gallons of fuel from your bulk storage and exported out of South Dakota by means other than pipeline – Attach Uniform Schedule of Disbursements Type 7.
6. Report total gallons of K-1 kerosene sold for non-taxable purposes – Attach Uniform Schedule of Disbursements Type 10.
7. Report total gallons of fuel pulled from a pipeline in South Dakota or purchased from a licensed out of state Supplier with South Dakota taxes paid which were directed to a state other than South Dakota – Attach Uniform Schedule of Disbursements Type 5. If exporting taxed ethyl alcohol, record gallons here – Attach Uniform Schedule of Disbursements Type 5.
8. Total credits – Add Lines 4, 5, 6 and 7.
9. Report total gallons of tax unpaid fuel exported out of South Dakota by truck or rail directly from pipeline terminals and ethanol producer locations – Attach Uniform Schedule of Disbursements Type 7.
10. Subtotal taxable gallons – Subtract Line 8 from Line 3.
11. Allowance – If filing on time, multiply Line 10 by 1.50%.
12. Total taxable gallons – Subtract Line 11 from Line 10.
13. Tax rates
14. Taxes due – Multiply Line 12 by Line 13.
15. Total taxes due – Add Columns A through J on Line 14.
16. Gallons of biodiesel sold to a licensed Supplier for resale at a terminal, a licensed Blender, or a licensed Exporter for export – Attach Uniform Schedule of Disbursements Type 6a, 6b or 6d.
17. Gallons of biodiesel sold to a party not licensed as a Supplier, Blender, or Export. If you are licensed as a Blender, report on your Blender return – Line 4, Column D.
18. Total tax due on sales of biodiesel to unlicensed entities – Multiply Line 17 by \$.22.
19. Total gallons subject to Tank Inspection Fee – Add Line 10 in Columns A through J, Line 6 in Column E and Line 17.
20. Tank Inspection Fee – Multiply Line 19 by \$.02.
21. Total Taxes and Fees due – Add Lines 15, 18 and 20.
22. Interest and Penalty. Interest is calculated at 1.25% per month. First month is \$5 or 1.25%, whichever is greater. Penalty is calculated at 10% or \$10, whichever is greater, for filing a return late even if no tax is due.
23. Balance Due or Credit from prior reporting periods (See computer notice).
24. Total Taxes and Fees for this reporting period – Add Lines 21, 22 and add or subtract Line 23 (depending on balance due or credit).