

LPG (LIQUID PETROLEUM GAS) VENDOR

An LPG Vendor is a person engaged in the business of selling liquid petroleum gas, wholesale or retail, for use in the engine fuel supply tank of a motor vehicle in South Dakota. LPG Vendors are required to collect and remit fuel tax on all LPG sold for use in motor vehicles in South Dakota. They are also required to report any other LPG sales made in the state and any LPG that is imported or exported. For purposes of taxation, LPG that is used as a motor fuel must be converted from pounds to the equivalent liquid gross gallons using the conversion factor of 4.24 pounds per gallon of liquid at 60 degrees Fahrenheit.

Instances in which LPG Vendors are not required to collect taxes are as follows:

- Sales made to licensed LPG users.
- LPG delivered into a bulk storage tank which has no liquid transfer line attached to it. If an LPG customer has a licensed LPG-powered vehicle, the LPG Vendor must inspect the bulk storage tank and certify that no liquid transfer line existed at the time of the inspection.
- Sales made to a customer that does not own or operate an LPG powered vehicle

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 LPG Vendors to keep detailed records of all fuel transactions and deliveries. LPG Vendors 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 LPG Vendors 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 LPG Vendors

Licensed LPG Vendors are required to keep disbursement records and copies of bills of lading received for LPG purchases and issued for LPG sales in addition to those already discussed.

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 a LPG Vendor 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, a LPG Vendor 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

LPG Vendors who properly report and remit tax may reduce the amount of fuel subject to fuel tax and retain the fuel tax collected on these deducted gallons. Amounts that can be deducted are:

- 2 percent of the first 25,000 gallons taxed each month
- 1 percent of the gallons taxed in excess of 25,000 gallons each month

The maximum amount of tax that can be retained each month is \$500.



Liquefied Petroleum Gas (LPG) Vendor Tax Return

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

Check here if this is an amended return

Report in Whole **Gross** Gallons Only

Column A
Liquefied Petroleum Gas

SALES SUMMARY

1	Gallons sold tax-unpaid to other licensed LPG Vendors -- Attach Uniform Schedule of Disbursements - Type 6c	1	
2	Gallons sold tax-unpaid for agricultural (exempt) use	2	
3	Gallons sold tax-unpaid to exempt government agencies -- Attach Uniform Schedule of Disbursements - Type 8	3	
4	Gallons sold tax-unpaid to licensed LPG Users or Highway Contractors	4	
5	Gallons exported from South Dakota -- Attach Uniform Schedule of Disbursements - Type 7	5	
6	Gallons sold on which South Dakota sales tax is due and will be reported and remitted on your sales tax return	6	
7	Gallons sold for or used in licensed vehicles upon which fuel tax is due (unless sold to a licensed LPG User or Highway Contractor)	7	
8	Total LPG Gallons Sold or Exported -- Add Lines 1, 2, 3, 4, 5, 6, and 7	8	

INVENTORY RECONCILIATION

9	Beginning LPG Inventory	9	
10	Total gallons received during the month or brought into South Dakota	10	
11	Total gallons to be accounted for -- Add Lines 9 and 10	11	
12	Total gallons sold or exported -- Record amount from Line 8 here	12	
13	Ending LPG Inventory -- Subtract Line 12 from Line 11	13	

TAX CALCULATION AND REMITTANCE

14	Fuel Taxable Sales -- Record Amount from Line 7 here	14	
15	Fuel Tax Rate	15	\$0.20
16	Fuel Tax Liability for this reporting period -- Multiply amount on Line 14 by tax rate on Line 15	16	\$
17	Allowance -- Multiply first 25,000 gallons on Line 14 by 0.02 and excess gallons by 0.01. Add amounts and multiply by \$0.20. Record amount here (\$500 maximum)	17	\$
18	Net Fuel Tax Liability -- Subtract Line 17 from Line 16	18	\$
19	Interest and/or Penalty (If filing after due date)	19	\$
20	Balance Due or Credit from prior records (See Computer Notice)	20	\$
21	Total Remittance -- Add lines 18 and 19, and add or subtract Line 20 (Depending on balance due or credit)	21	\$

I declare and affirm under the 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	Title	Date
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LPG Vendor Return Instructions

1. Report gallons sold tax-unpaid to other licensed LPG Vendors – Attach Uniform Schedule of Disbursements Type 6e.
2. Report gallons sold tax-unpaid for agricultural (exempt) use.
3. Report gallons sold tax-unpaid to exempt government agencies – Attach Uniform Schedule of Disbursements Type 8.
4. Report gallons sold tax-unpaid to licensed LPG Users or Highway Contractors.
5. Report gallons exported from South Dakota – Attach Uniform Schedule of Disbursements Type 7.
6. Report gallons sold on which South Dakota sales tax is due and will be reported and remitted on your sales tax return.
7. Report gallons sold for or used in licensed vehicles upon which fuel tax is due (unless sold to a licensed LPG User or Highway Contractor).
8. Total LPG gallons sold or exported – Add Lines 1, 2, 3, 4, 5, 6 and 7.
9. Report your beginning LPG inventory.
10. Report total gallons received during reporting period or brought into South Dakota.
11. Report total gallons to be accounted for – Add Lines 9 and 10.
12. Report total gallons sold or exported – Record amount from Line 8.
13. Report your ending LPG inventory – Subtract Line 12 from Line 11.
14. Report Fuel Taxable sales – Record amount from Line 7.
15. Fuel Tax rate
16. Fuel Tax liability – Multiply Line 14 by Line 15.
17. Allowance – Multiply first 25,000 gallons on Line 14 by 2% and the excess gallons by 1%. Add amounts and multiply by \$.20. Maximum amount that can be claimed is \$500.
18. Net Fuel Tax liability – Subtract Line 17 from Line 16.
19. 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.
20. Balance Due or Credit from prior reporting periods (See computer notice).
21. Total Taxes and Fees for this reporting period – Add Lines 18, 19 and add or subtract Line 20 (depending on balance due or credit).