

State of Rhode Island – Division of Taxation
Motor Fuel Tax
Regulation MF 89-02

Taxability of Special Fuels

The definition of fuel includes all volatile and inflammable liquids (other than lubricating oils, diesel fuel for the propulsion of marine craft, and oils used for heating purposes) used or suitable for use for operating or propelling motor vehicles using internal combustion type engines. The tax applies to all liquid fuels sold for use or used in motor vehicles (except as provided in the definition relating to diesel marine craft) and it is not confined to sales for use or used on the highways of this state. Filling stations, peddlers or other vendors acquiring fuels such as No. 2 fuel, LPG and other gasoline substitutes without having paid the tax to their supplier must include the tax at the time of sale or delivery for use in internal combustion engines and must report the sales and pay the tax to the tax administrator. Any person, firm or corporation acquiring fuel upon which the tax has not been paid and who subsequently sells or uses such fuel for propelling an internal combustion engine immediately becomes liable for the tax and must arrange with the tax administrator to report sales or use and pay the tax due.

~~R. GARY CLARK~~

~~TAX ADMINISTRATOR DATE FILED: December 6, 1989~~

~~EFFECTIVE DATE: December 31, 1989~~