

# Petroleum Surety Bond

This bond is required by Minnesota law to ensure state petroleum taxes and fees are paid when required.

<b>Print or Type</b>	Name of Licensed Distributor	Minnesota Tax ID Number	<b>Bond Number</b>
	Address	Contact Person	Daytime Phone
	City State ZIP Code		

**Terms of Bond**

Enter all information requested.

\_\_\_\_\_ and \_\_\_\_\_  
(name of licensed distributor) (name of surety)

, a corporation under the laws of \_\_\_\_\_ and authorized to transact business in Minnesota  
(name of state)

as surety, are held and firmly bound to the Minnesota Department of Revenue on behalf of the State of Minnesota for payment in the sum of \$ \_\_\_\_\_, to which they bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally.  
(bond or surety amount)

The conditions of the foregoing will be that the licensed distributor will be/or was issued a license in accordance with Minnesota Statutes, Chapter 296A, and shall observe and obey all the provisions of the Minnesota petroleum tax laws, and shall pay all taxes, fees, fines, penalties, damages and costs as provided in the laws which may be assessed against the licensed distributor during the time of the continuance of the license.

This bond shall be effective for up to one year, beginning \_\_\_\_\_ 20\_\_\_\_ and ending \_\_\_\_\_ 20\_\_\_\_\_.

**Sign Here**

**Licensed distributor sign below**

Authorized Signature	Title	Date
_____	_____	_____

**Surety company sign below**

Surety Signature	Title	Date
_____	_____	_____

**Mail to:** Minnesota Revenue, Mail Station 3333, St. Paul, MN 55146-3333  
 Phone: 651-296-0889 Email: petroleum.tax@state.mn.us

# Form PDO-102 Instructions

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## Who Must File

Licensed distributors are required to furnish a corporate surety bond unless they are granted an exemption from depositing securities or furnishing a bond. The bond will cover all places of business within Minnesota where the distributor receives petroleum products.

The amount of the surety bond — which is determined by the department — must be adequate to cover all excise taxes, fees, penalties and accrued interest arising in the ordinary course of the business, and any other delinquent funds that may be owed to Minnesota. For the first year, the minimum bond is \$3,000.

An additional bond may be required if the department determines that the original bond given by the distributor is inadequate to fully protect the state.

Once filed, the surety bond remains in effect for up to one year. If the distributor timely files and pays motor fuel taxes or fees during the one-year period, the bond may no longer be required. However, if the distributor fails to file and/or pay motor fuel taxes or fees, the department may apply the bond to any unpaid taxes, fees, penalties and interest owed to the department by the distributor.

A certified check may be used in place of a surety bond, with the department's permission.

*(M.S. 296A.03, subd. 5)*

## To Request an Exemption

To request an exemption from depositing securities or furnishing a bond, the distributor must make a written request to the department and attach an itemized financial statement showing its assets and liabilities.

If the department determines that the applicant is financially responsible, the distributor is exempt from depositing securities or filing a surety bond.

In making its determination, the department will consider all relevant factors, including whether:

- the applicant's current assets are at least equal to its current liabilities and that the applicant's net worth is at least three times its average quarterly motor fuel tax liability, as reflected in the applicant's financial statements;
- the applicant has failed to file or has been delinquent in filing any motor fuel tax returns;
- the applicant has ever failed to pay its motor fuel tax liability, paid it late or paid with a check that was later returned by the bank unpaid; and
- any other evidence of the financial responsibility of the applicant.

*(Minnesota Rule 8125.0410)*

## Information and Assistance

Website: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

Email: [petroleum.tax@state.mn.us](mailto:petroleum.tax@state.mn.us)

Phone: 651-296-0889

This information is available in alternate formats.