This fact sheet explains what distributors should know about the purchase and sale of aviation gasoline, gasoline sold for aviation purposes, jet fuel and aviation turbine fuel.

**Definitions**

**Aviation Gasoline**

“Aviation gasoline” means any gasoline that is used to produce or generate power for propelling internal combustion engine aircraft.

**Aviation gasoline includes any gasoline:**
1. Invoiced and billed by a producer, manufacturer, refiner, or blender to a distributor or dealer, by a distributor to a dealer or consumer, or by a dealer to a consumer, as “aviation gasoline” that meets specifications in ASTM specification D910-16 or any other ASTM specification as a gasoline appropriate for use in producing or generating power for propelling internal combustion engine aircraft; or
2. Sold to a dealer of aviation gasoline for dispensing directly into the fuel tank of an aircraft.

**Gasoline for Aviation Purposes**

Gasoline for aviation purposes” is 87-, 89-, or 90-octane gasoline, or any other gasoline that does meet ASTM specifications as aviation gasoline that can be used in certain aircraft. Distributors must collect the full gasoline tax rate when selling this fuel, no matter how it is used, unless it is sold to a “dealer of aviation gasoline” at an airport for dispensing directly into the supply tank of an aircraft.

**Jet Fuel and Aviation Turbine Fuel**

Blends of hydrocarbons intended for use in aviation turbine engines and that meets the specifications in ASTM specification D 1655-96c.

**Reporting and Taxing Procedures**

**Aviation Gas**

The tax on aviation gasoline is 5 cents per gallon. All taxes, inspection fees and cleanup fees (when applicable) are to be reported and paid by the first consignee. If the consignee is not a licensed distributor, the supplier will be responsible for all taxes and fees.

A licensed distributor can make sales for aviation purposes to a “dealer of aviation gasoline” delivered to a dedicated storage tank and retail pump used only for fueling aircraft at an airport at the aviation gasoline tax rate of $0.05/gallon.

When a distributor purchases the gasoline from a terminal, they report the purchase as a schedule 2A/2C and product code 065 or 124.

When the distributor makes the sale to the “dealer of aviation gasoline”, they report the sale as a schedule code 5XA – Gallons Sold to Airport Partial Taxed and use product code 065 or 124 to claim the $0.235 per gallon credit for the gallons of automobile gas sold to the airport for resale.

**Dealers of Aviation Gasoline**

The “dealer of aviation gasoline” that purchases gasoline for aviation purposes for resale at the airport must meet the following requirements to purchase the fuel at the aviation gasoline tax rate:

1. The storage tank and retail pump must be dedicated to only refueling aircraft. No other sales or uses of the fuel may come out of the storage tank. Remember this fuel can only be dispensed directly into the fuel tank of an airplane.
2. Complete and accurate sales records must be kept for all withdrawals of gasoline for aviation purposes and must include the following information:
   a. Date of sale
   b. Number of gallons sold
   c. Price per gallon of fuel sold
   d. Amount of tax being charged
   e. Name of purchaser
   f. Tail number of aircraft

**Note:** If you do not follow these requirements, the “dealer of aviation gasoline” may not be allowed to make purchases at the reduced tax rate.

Gasoline for Aviation Purposes purchased from supplier other than a “dealer of aviation gasoline”.

The tax on this type of gasoline is 28.5 cents. The aviation gas tax credit will be refunded to the owner of the aircraft. The owner of the aircraft will file a Form PDR-1AV, Aviation Fuel Tax Claim for Refund, and request the credit. The owner must send a FAA 337 form with the claim stating that the aircraft can burn this type of gasoline.

**Note:** No tax free sales of these types of gasoline are allowed between licensed distributors.

---

This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters or otherwise changes any provisions of the tax law, administrative rules, court decisions or revenue notices. Alternative formats available upon request.

Petroleum Tax Unit, Mail Station 3333, St. Paul, MN 55146-3333
Phone: 651-296-0889
Email: Petroleum.Tax@state.mn.us

Rev. 6/17
Jet Fuel and Aviation Turbine Fuel
The tax on these types of fuel is 15 cents per gallon. The tax can be reported and paid by a supplier, licensed distributor or licensed special fuel dealer or bulk purchaser. The inspection fee and cleanup fee (when applicable) must be reported and paid by the first licensed distributor consignee. If the first consignee is not a licensed distributor, these fees must be paid by the supplier.

Jet fuel and aviation turbine fuel cannot be sold without inspection and cleanup fee, but can be sold without the 15 cents per gallon excise tax between licensed accounts.

Possible Scenarios for Sales of Jet Fuel and Aviation Turbine Fuel

A. Licensed distributor/supplier selling jet fuel to a nonlicensed customer.
   All taxes and fees must be charged and collected by the licensed distributor/supplier and then included on the tax returns filed to the state of Minnesota.

B. Licensed distributor selling jet fuel to a licensed special fuel customer.
   Inspection fee and cleanup fee (when applicable) must be charged and collected by the licensed distributor. The licensed special fuel customer will then be responsible for paying the 15 cents per gallon tax on their special fuel tax return.

C. Licensed distributor selling jet fuel to a licensed distributor.
   Inspection fee and cleanup fee (when applicable) must be charged and collected by the first licensed distributor.
   If the second distributor then sells this product to a nonlicensed account, the second distributor will be responsible for collecting and remitting the 15 cents per gallon tax.
   If the second distributor sells to a licensed special fuel customer, tax is not collected. The special fuel customer is responsible for remitting the 15 cents per gallon tax on their special fuel tax return.