



October 31, 2016

TO: FMA Members
FROM: Eric DeGesero
RE: **PGRT Changes – TONIGHT!**

Effective November 1, 2016 there are changes to the New Jersey Petroleum Gross Receipts tax.

Gasoline – Tax is increased by 22.6 cents/gallon. When added to the existing 4 cents/ gallon this makes the total NJPGRT 26.6 gallon. The existing 10.5 NJ Motor Fuels Tax remains unchanged.

Gasoline Floor Stocks Tax – Anyone who holds gasoline in inventory for resale and who does not have a direct payment permit for gasoline with the NJ Division of Taxation must take inventory at the close of business (or 11:59pm if a 24 hr. location). The [inventory report](#) on inventory must be filed by December 15, 2016. [The tax return must be filed and tax paid](#) by February 1, 2017. The return will take into account the allowable dead storage which is 200g for a tank less than 10,000g and 400g for tanks 10,000g or more.

Diesel – No changes until January 1, 2017.

Commercial Heating Oil/Off Road Diesel – PGRT no longer applicable. Anyone holding fuel which was previously assessed the PPGRT and is in inventory on November 1, 2016 can file [Form PPT-20](#) with the Division of Taxation for a refund of the 4 cents a gallon. To claim the refund:

- Record the gallons in inventory on November 1, 2016 in Column A, #8 Other.
- Then in Explanation of Refund describe what the fuel was used for and then write, “*As of November 1, 2016 this use was no longer taxable under the NJ PPGRT and the tax had previously been paid.*”
- Provide a copy of the invoice showing that tax was paid on the fuel.

Marinas – Sell gasoline and clear diesel to marinas PGRT included. Sell dyed diesel tax-free and marina will remit for use in pleasure boats. ***FMA anticipates further changes to boats soon.**

School Buses – School buses operated by a school board are exempt from the PGRT whereas school buses operated by a private bus company on behalf of a school board pays the PGRT. Legislation has been introduced to exempt all school buses from the PGRT. ***FMA anticipates further changes to buses soon.**

Other Petroleum Products – Rate increases from 2.75% to 7%.