



Special Notice

**STATE BOARD
OF EQUALIZATION**

450 N STREET
SACRAMENTO, CA 95814

BOARD MEMBERS
(Names updated 2016)

SEN. GEORGE RUNNER (RET.)
First District
Lancaster

FIONA MA, CPA
Second District
San Francisco

JEROME E. HORTON
Third District
Los Angeles County

DIANE L. HARKEY
Fourth District
Orange County

BETTY T. YEE
State Controller

EXECUTIVE DIRECTOR
DAVID J. GAU

BOE WEBSITE AND
BOARD MEMBER CONTACT
INFORMATION
www.boe.ca.gov

CUSTOMER SERVICE CENTER
800-400-7115

TTY
711

TAXPAYERS' RIGHTS
ADVOCATE
888-324-2798

Dyed Diesel Fuel Notification Requirements

The Diesel Fuel Tax Law requires that sellers provide notice to purchasers of dyed diesel fuel indicating the fuel is for nontaxable use only. If you sell dyed diesel fuel, you are required to provide notice to your buyer stating:

**“DYED DIESEL FUEL, NONTAXABLE USE ONLY,
PENALTY FOR TAXABLE USE”**

The notice must be posted by the seller of dyed diesel fuel on any retail pump where dyed diesel fuel is dispensed. The notice should be affixed on the face of the pump in a conspicuous place within easy sight of the person dispensing the dyed diesel fuel.

The notice must be included on all shipping papers, bills of lading, and invoices accompanying the sale or removal of dyed diesel (1) by any terminal operator to any person receiving dyed fuel at the operator’s terminal rack; or (2) by any seller of dyed diesel fuel to its buyer if the diesel fuel is located outside the bulk transfer/terminal system.

Any seller that fails to provide the required notice is presumed to know that the diesel fuel will be used for a taxable use and may be subject to a penalty of \$10 for every gallon of diesel fuel sold without the proper notice or \$1,000 multiplied by the total number of violations, whichever is greater. In addition, sellers of dyed diesel fuel are also subject to the same penalty provisions for every gallon of dyed diesel fuel held for sale at the time of the violation if the sale is made from a retail pump.

Please note: The Internal Revenue Service (IRS) has similar notice requirements and may assess you additional penalties under federal law.

For more information, please contact:

State Board of Equalization
Special Taxes and Fees
PO Box 942879
Sacramento, CA 94279-0033

If you would like to know more about your rights as a taxpayer or if you have not been able to resolve a problem through normal channels (for example, by speaking to a supervisor), please see [publication 70](#), *Understanding Your Rights as a California Taxpayer*, or contact the Taxpayers’ Rights Advocate Office for help at 916-324-2798 (or toll-free, 888-324-2798). Their fax number is 916-323-3319. If you prefer, you can write to: Taxpayers’ Rights Advocate, MIC:70; State Board of Equalization; P.O. Box 942879; Sacramento, CA 94279-0070.