

Gasoline and Dyed Diesel Used for Non-Highway Purposes

Mississippi provides a reduced rate for gasoline and dyed diesel used for non-highway purposes. The reduced rates are 6.44 cents per gallon and 5.75 cents per gallon of gasoline or dyed diesel. These fuels are generally taxed at 21 cents per gallon if for on road use.

Gasoline Used for Non-Highway Purposes

You may be entitled to a refund of 14.56 cents per gallon (equivalent to a tax rate of 6.44 cents per gallon) if you desire to purchase gasoline to be used off road. The gasoline must be used for maritime, industrial, manufacturing, domestic or non-highway purposes only.

Examples of non-highway include gasoline used in boats, golf carts, machinery used for manufacturing or farm equipment used exclusively in plowing, planting or harvesting farm products.

Refund Gasoline User

The refund is based on the amount of gallons used. Before a refund is issued, you are required to...

1. Obtain a refund gasoline user's permit and a certificate for refund booklet from the Department of Revenue;
2. Have a storage tank marked "REFUND GASOLINE"; and,
3. Purchase the gasoline from someone who holds a refund gasoline dealer's permit.

No refund will be allowed for gasoline used in motor vehicles owned or operated by a government entity or used in Mississippi government contracts.

Refund Gasoline Dealer

You must obtain a refund gasoline dealer's permit from the Department of Revenue before selling refund gasoline. At no time should the gasoline be delivered to a tank that is not properly marked. The gasoline must be dyed a distinctive mahogany color at the time of delivery.

The Department of Revenue may waive the dye requirement if the dye may cause damage to the equipment. The refund gasoline user is required to obtain the waiver from the Department of Revenue.

Dyed Diesel Used for Non-Highway Purposes

Unlike gasoline, you are not required to apply for a refund if you desire to purchase dyed diesel to be used off road. Mississippi provides a reduced rate of 5.75 cents per gallon on dyed diesel used off road. Diesel used on road is subjected to 21 cents per gallon. Dyed diesel used in motor vehicles operated by a government entity or used in Mississippi government contracts will be subjected to 21 cents per gallon.

Dyed Diesel Used on the Highway

Any person who purchases, receives, acquires or uses dyed diesel for highway use will be liable to pay 21 cents per gallon and subject to a penalty in the amount of \$1000.

Identifying Dyed Diesel

Storage facilities for dyed diesel must be plainly marked "NONHIGHWAY DIESEL FUEL" or "NONHIGHWAY KEROSENE". Retailers are also required to mark all pumps or dispensing equipment.

