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SPECIAL NOTICE

Conversion Factors for Motor Vehicle Fuels Occurring in Gaseous Form Beginning July 1, 2016

Purpose: This Special Notice identifies the conversion factors for motor vehicle fuels occurring in gaseous form applicable for the twelve-month period beginning July 1, 2016.

Effective Date: The conversion factors identified herein are effective beginning July 1, 2016.

Statutory Authority: Conn. Gen. Stat. §12-458i.

Conversion Factors: Conn. Gen. Stat. §12-458i requires the Department of Revenue Services (DRS), in consultation with the Department of Energy and Environmental Protection (DEEP), no later than June 15 of every year, to establish the conversion factors used in the computation of tax on motor vehicle fuels occurring in gaseous form. Conversion factors are used to convert measures of fuels for computation of the Connecticut motor vehicle fuels tax.

Each conversion factor must be consistent with any applicable federal conversion factor.

Compressed Natural Gas (CNG)

For sales occurring on or after July 1, 2016, the conversion factors for CNG are:

- 1 gasoline gallon = 123.57 cubic feet; or
- 1 gasoline gallon = 5.66 pounds.

Liquefied Petroleum Gas (LPG)

For sales occurring on or after July 1, 2016, the conversion factors for LPG (commonly known as propane, when used for motor vehicles) are:

- 1 gasoline gallon = 1.353 gallons; or
- 1 gasoline gallon = 5.75 pounds.

Special Rules for LPG (Propane)

Conn. Gen. Stat. §12-458i(b) states that the conversion factor for propane can only be used if two conditions are met:

1. The propane is used exclusively in motor vehicles owned by the purchaser of the propane; **and**
2. The propane is stored in a cylinder or tank owned by the purchaser.

Compressed Propane (Gaseous Form)

Currently, there is no federal conversion factor for compressed propane sold in gaseous form. Consequently, the conversion factor for compressed propane (gaseous form) remains as set forth in Conn. Agencies Regs. §12-455a-1. The conversion factor for compressed propane (gaseous form) at 14.73 lbs. of pressure per square inch (psi) and 60 degrees Fahrenheit is:

- 1 gallon propane = 35.97 cubic feet propane.

Annual Notice: The Commissioner of Revenue Services is required to issue information concerning the conversion factors used in the computation of tax on motor vehicle fuels occurring in a gaseous form by June 15 of each year.

Effect on Other Documents: Form OP-216 (Rev. 06/15), *Special Fuel Tax Return*; Policy Statement 92(10.1), *Tables and Equivalents for Natural Gas and Propane for Motor Vehicle Fuels Tax Purposes*; and Special Notice 2015(2), *Conversion Factors on Motor Vehicle Fuels Occurring in Gaseous Form Applicable Beginning July 1, 2015*, are modified and superseded.

Effect of This Document: A Special Notice announces a new policy or practice in response to changes in state or federal laws or regulations or to judicial decisions. A Special Notice indicates an informal interpretation of Connecticut tax law by DRS.

For Further Information: If you need additional information or assistance concerning the motor vehicle fuels tax, call the Excise Taxes Unit at 860-541-3224, Monday through Friday 8:30 am to 4:30 pm.

For General Tax Information: Call DRS during business hours, Monday through Friday:

- 1-800-382-9463 (Connecticut calls outside the Greater Hartford calling area only); or
- 860-297-5962 (from anywhere).

TTY, TDD, and Text Telephone users only may transmit inquiries anytime by calling 860-297-4911.

Forms and Publications: Visit the DRS website at www.ct.gov/DRS to download and print Connecticut tax forms and publications.

Paperless Filing/Payment Methods (fast, easy, free, and confidential): Business and individual taxpayers can use the **Taxpayer Service Center (TSC)** at www.ct.gov/TSC to file a variety of tax returns, update account information, and make payments online.

File Electronically: You can choose first-time filer information and filing assistance or log directly into the **TSC** to file returns and pay taxes.

Pay Electronically: You can pay taxes for tax returns that cannot be filed through the **TSC**. Log in and select the *Make Payment Only* option. Designate a payment date up to the due date of the tax and mail a paper return to complete the filing process.

DRS E-Alerts Service: Get connected to the latest news from DRS. Receive notification by email of changes to legislation, policies, and procedures.

DRS E-Alerts provide information for employer's withholding tax, *News – Press Releases*, and *Top 100 Delinquency List*. Visit the DRS website at www.ct.gov/DRS and select *Sign up for e-alerts* under *How Do I?* on the gold navigation bar.

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