

INFORMATION AND INSTRUCTIONS
APPLICATION FOR DELAWARE MOTOR FUEL DISTRIBUTOR LICENSE

INSTRUCTIONS: Please carefully read this information. All questions must be answered and necessary additional documentation attached to process this license application. Please print all answers clearly.

30 Del C c.51 § 5101 (1) defines a Delaware Distributor as follows:

“(1) "**Distributor**" includes any person, association of persons, firm or corporation, wherever resident or located, who imports or causes to be imported into the State gasoline, as defined in this section, for use, distribution, storage or sale after the gasoline reaches the State or who, being in the business of selling and or distributing gasoline in bulk quantities, desires to purchase gasoline tax free from another distributor for resale within this State or for export from this State; and also any person, association of persons, firm or corporation who produces, refines, manufactures or compounds, or who causes to be produced, refined, manufactured or compounded gasoline as defined in this section within the State...”

30 Del C c.51 § 5101 (4) defines Gasoline as follows:

(4) "**Gasoline**" includes all products commonly or commercially known or sold as gasoline, including gasohol, casing head gasoline, natural gasoline, aviation gasoline and all flammable liquids composed of a mixture of selected hydrocarbons expressly manufactured and blended for the purpose of effectively and efficiently operating spark-ignited internal combustion engines. The term "gasoline" does not include liquefied gases such as propane, butane, or pentane, or mixtures of the same, nor any product:

- a. Having an ASTM Designation D908 research octane number of less than 70; or
- b. Having a Reid vapor pressure at 100 degrees F. of more than 30 pounds.

30 Del C c.51 § 5103 (a) of the Delaware Motor Fuel & Special Fuel Tax law states that no distributor shall receive, use, sell or distribute any gasoline or engage in business within this State unless such distributor is the holder of an uncanceled license issued by the Department of Transportation to engage in such business.

30 Del C c.51 § 5110 of the Delaware Motor Fuel & Special Fuel Tax law states that a tax rate of 23 cents per gallon shall be levied and imposed on all gasoline which is sold or used in the state of Delaware.

30 Del C c.51 § 5112 of the Delaware Motor Fuel & Special Fuel Tax law states that a Distributor's taxable sales, for deliveries to Delaware retail stations, shall be based upon the delivery of gasoline to the station. This also includes deliveries to retail outlets on consignment or to retail outlets owned or operated by the distributor.

To obtain a Delaware Motor Fuel Distributor license, the following steps are required:

1. Complete & sign the attached Motor Fuel Distributor License Application.
2. Please enclose with the completed license application a check for \$10.00 made payable to the Motor Fuel Tax Administration. This is a non-refundable license application fee.

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3. Please enclose with the completed license application a motor fuel surety bond (Form MFT-3) made payable to the State of Delaware, Motor Fuel Tax Administration. Every distributor is required to file with the State of Delaware, Motor Fuel Tax Administration, a bond in the approximate sum of 3 times the average monthly gasoline tax due or estimated to be due by such distributor under the existing law of the State. In no case shall such bond be less than \$5,000 nor more than \$200,000. A Delaware Motor Fuel Distributor license number cannot be issued until this bond is posted. A Delaware Motor Fuel Distributor Bond (Form MFT-3) form has been attached for your convenience.

Please note that if the application is incomplete, \$10.00 check not enclosed, and/or motor fuel surety bond not attached, the application will be returned. Please mail the application, check, & surety bond to the following address: Delaware Department of Transportation, Motor Fuel Tax Administration, P. O. Drawer E, Dover, DE 19903. All applications will be processed within 10 business days from the date of receipt upon the timely submission of all required documentation. If there are additional questions, please contact our office at (302) 744-2715.