

CHAPTER 6  
ADMINISTRATION OF THE ENVIRONMENTAL PROTECTION  
CHARGE IMPOSED UPON PETROLEUM DIMINUTION

[See also 701—Chapter 37]

**591—6.1(424) Definitions.** When used in this chapter, unless the context otherwise requires:

“*Board*” means the Iowa comprehensive petroleum underground storage tank fund board.

“*Certificate of noncompliance*” means a document provided by the child support recovery unit certifying that the named obligor is not in compliance with a support order or with a written agreement for payment of support entered into by the unit and the obligor.

“*Charge*” means the environmental protection charge imposed upon petroleum diminution under Iowa Code section 424.3.

“*Charge payer*” means a depositor, receiver or tank owner or operator obligated to pay the charge.

“*Child support recovery unit*” means the child support recovery unit created by Iowa Code section 252B.2.

“*Cost factor*” is an amount per gallon of diminution as determined and adjusted from time to time in accordance with Iowa Code section 424.3.

“*Department*” means the department of revenue of the state of Iowa.

“*Depositor*” means any person holding title to petroleum who deposits or causes to be deposited petroleum into a tank and who transfers that title to a receiver. See below for definitions of “receiver” and “tank.” Persons (such as common or contract carriers) who transfer possession of, but not title to, petroleum from depositors to receivers are not depositors for the purposes of this chapter. A person’s status and responsibilities as a depositor are not altered by the fact that title to petroleum passes to a receiver before the petroleum is placed in a tank; however, see rule 591—6.8(424).

“*Diminution*” is the petroleum released into the environment prior to its intended beneficial use and equals the total volume of petroleum deposited in a tank multiplied by the diminution rate.

“*Diminution rate*” equals one-tenth of 1 percent.

“*Director*” means the director of the department of revenue.

“*Fund*” means the Iowa comprehensive petroleum underground storage tank fund.

“*Obligor*” means a natural person as defined in Iowa Code section 252B.1 who has been ordered by a court or administrative agency to pay support.

“*Owner or operator*” means owner or operator of a tank.

“*Petroleum*” means crude oil or any fraction of crude oil which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute).

“*Receiver,*” if the owner and operator of a tank are not the same person, is the person who, under a contract between the owner and operator, is responsible for payment for petroleum deposited into a tank; and if the owner and operator of a tank are the same person, is the owner.

“*Tank*” means an underground storage tank subject to regulation under Iowa Code chapter 455G or an aboveground storage tank as defined in Iowa Code section 101.21 located at a retail motor vehicle fuel outlet if the aboveground storage tank is physically connected directly to pumps which dispense petroleum that is sold at the motor vehicle fuel outlet on a retail basis.

Upon application the board may exempt from this definition those petroleum gallons dispensed through loading and unloading racks designed to handle bulk quantities of petroleum separate and different from retail motorist vehicle sales provided the receiver retains adequate records to prove accurate payment of the environmental protection charge and may exempt from this definition an aboveground petroleum storage tank located at a retail motor vehicle fuel outlet which is used only to store petroleum for subsequent deposit in underground storage tanks subject to regulation under Iowa Code chapter 455G or in other aboveground tanks.

“*Unit*” means the child support recovery unit created in Iowa Code section 252B.2.

*“Withdrawal of a certificate of noncompliance”* means a document provided by the unit certifying that the certificate of noncompliance is withdrawn and that the licensing authority may proceed with issuance, reinstatement, or renewal of an obligor’s license.

This rule is intended to implement Iowa Code section 424.2 and Iowa Code Supplement chapter 252J.

**591—6.2(424) Division of responsibility.** The board retains authority to amend or repeal these rules and also retains jurisdiction over any contested case the substance of which is a challenge to the diminution rate or cost factor. All other matters concerning the administration of this chapter shall be the responsibility of the department.

This rule is intended to implement Iowa Code section 424.1.

**591—6.3(424) Imposition and collection of the charge.** The charge is imposed upon petroleum diminution at the time petroleum is deposited into a tank. The amount of the charge is equal to the total volume of petroleum deposited into a tank (measured in gallons) multiplied by the diminution rate of one-tenth of 1 percent (.10%) multiplied by the cost factor. The charge is collected from the receiver by the depositor of petroleum and paid to the department.

This rule is intended to implement Iowa Code section 424.3.

**591—6.4(424) Depositor’s permit required.** When used in this chapter or any other chapter relating to the charge for petroleum diminution, the word “permit” shall mean a “depositor’s permit.” On and after July 1, 1989, no person shall deposit petroleum in any tank in Iowa unless that person has procured a permit. There is no charge for a petroleum depositor’s permit. If one person transports petroleum for deposit from more than one location, only one permit is required.

This rule is intended to implement Iowa Code section 424.5.

**591—6.5(424) Application for permit.** A depositor shall file with the department an application for a permit. The application shall be made upon a form prescribed by the board and shall set forth the name of the applicant, the applicant’s current known address, the applicant’s social security number, the name under which the applicant transacts or intends to transact business, the locations of the applicant’s places of business and any other relevant information which the board may require. The application will be signed by the owner of the business if the owner is a natural person; by a member or partner in the case of an association or partnership respectively; and, in the case of a corporation, by an executive officer or other person authorized by the corporation to sign the application. A copy of the authorization shall be attached to the application as written evidence of the signer’s authority.

The application shall be in the form provided at the end of this chapter.

This rule is intended to implement Iowa Code section 424.5 and Iowa Code Supplement chapter 252J.

**591—6.6(424) Assignment, effectiveness and revocation of permits.** A permit cannot be assigned. It is valid only for the person in whose name it is issued. The permit is valid for that person until canceled or revoked by the department. A permit holder selling the business shall request cancellation of the permit, and the purchaser shall apply for a new permit in the purchaser’s own name. The department will deny a permit to any applicant who is an individual if the department has received a certificate of noncompliance from the child support recovery unit in regard to the individual, until the unit furnishes the department with a withdrawal of the certificate of noncompliance.

This rule is intended to implement Iowa Code section 424.5 and Iowa Code Supplement chapter 252J.

**591—6.7(424) Permits—reasons for denial.** The department may deny a permit to an applicant for the following nonexclusive reasons:

**6.7(1)** At the time of application, the applicant is substantially delinquent in paying a tax or charge which is due and administered by the department or substantially delinquent in paying the interest or penalty on this type of tax or charge; or

**6.7(2)** The applicant is a partnership and a partner or partners are substantially delinquent in paying any tax or charge administered by the department or the penalty or interest on this tax or charge.

**6.7(3)** The department will revoke a permit of an individual permit holder if the department has received a certificate of noncompliance from the child support recovery unit in regard to the individual, unless the unit furnishes the department with a withdrawal of the certificate of noncompliance.

This rule is intended to implement Iowa Code section 424.5 and Iowa Code chapter 252J.

**591—6.8(424) Payment of the charge.** A depositor shall, as far as practicable, add the charge or the average equivalent of the charge to the sale price of the petroleum. When added, the charge is a part of the depositor's price and is a debt from the receiver to the depositor until paid. The depositor can recover the charge at law from the receiver in the same manner as other debts. The charge must be separately stated on the invoice.

Liability for paying the charge to the department is upon the depositor and upon the receiver unless the charge has been paid to the depositor in which case the depositor is liable. Liability for the charge is upon only the receiver if the depositor takes, in good faith from a receiver liable for the charge, a valid exemption certificate and, in addition, does the following: records the exemption certificate number and/or other information required by the director and submits this information as required by the director as part of the environmental protection charge return.

Liability for paying the charge to the department is upon the receiver alone if the receiver sends its own tanker truck or a common or contract carrier employed by the receiver to a distributor's facility and title to petroleum passes to a receiver there. If a person, upon the initial purchase of petroleum, causes that petroleum to be placed in a storage facility which is not a "tank" as defined in rule 591—6.1(424) and subsequently transfers the petroleum to a tank, that person becomes a receiver, and is liable for payment of the charge at the time petroleum is placed in the tank.

At one and the same time, a person can engage in a series of transactions in which it is a depositor and another series of transactions in which it is a receiver. If a person is involved in transactions in some of which it is a depositor and in some of which it is a receiver, it will, for the purposes of this chapter, have obligations both as a depositor and a receiver. In some circumstances the person will be obligated to collect the charge from another party and forward the charge to the department; in other circumstances it will be obligated to pay the charge to another party who is then obligated to forward that charge to the department. In other circumstances a receiver of petroleum rather than a depositor is obligated to pay the charge to the department. In the following examples which illustrate this, assume that A is a petroleum distributor with terminal rights, B is a petroleum distributor or wholesaler who also owns retail petroleum outlets, and that C is a petroleum retailer independent of B.

**EXAMPLE A:** B contacts A and asks A to transfer petroleum into a tank at B's retail facility. This is done. In this case, B is the receiver of the petroleum and A is its depositor.

**EXAMPLE B:** C orders petroleum from B, who contacts A who transports the petroleum to C's station and deposits it in C's tank. Title to the petroleum transfers from A to B to C. In this situation, B is the depositor who causes the petroleum to be deposited in the tank and who transfers title to C, who is the receiver.

**EXAMPLE C:** C contacts B asking that A transport a load of petroleum to C's exempt storage facility. This is done. Title to the petroleum is transferred first from A to B and then, when the petroleum enters the exempt storage facility, to C. Later, C pumps the petroleum into a tank. At the time C pumps the petroleum into the tank, C becomes a receiver of the petroleum who is obligated to forward the charge to the department.

**EXAMPLE D:** C owns a tank truck capable of transporting petroleum. C drives to A's facility and there accepts title to and possession of a load of petroleum. C then transports this petroleum back to

its retail station and places the petroleum in a tank. At the time the petroleum is placed in the tank, C becomes a receiver who is obligated to forward the charge to the department.

This rule is intended to implement Iowa Code sections 424.4 and 424.6.

**591—6.9(424) Filing of returns.** Every depositor shall file a return for any calendar quarter during which the depositor has become, is, or has ceased to be obligated to collect the charge from a receiver. The return shall be filed with the director on or before the last day of the month following the close of the calendar quarter.

**6.9(1) *The form of the return.*** The return shall be in the form provided at the end of this chapter.

**6.9(2) *Signatures.*** Returns shall be signed by the depositor or the depositor's duly authorized agent and must be duly certified by the depositor to be correct.

**6.9(3) *Extension of time for filing.*** Upon a proper showing of the necessity for extending the due date, the director may grant an extension of time in which to file a return. Extension will not be granted for a period longer than 30 days. The request for the extension must be received on or before the original due date of the return. It will be granted only if the person requesting the extension shall have paid, by the thirtieth day of the month following the close of the quarter, 90 percent of the estimated charge due.

**6.9(4) *Filing of returns on other than a quarterly basis.*** A depositor selling the business shall file a return within the month succeeding the sale. In cases of insolvency or assignment for the benefit of creditors by a depositor, the depositor shall immediately file a return. In other appropriate circumstances, when such action is necessary or advisable in order to ensure payment of the charge, the director may require that returns be filed for other than quarterly periods.

This rule is intended to implement Iowa Code section 424.7.

**591—6.10(424) Payment of the charge.** The charge is due and payable on or before the last day of the month following each quarterly period unless otherwise indicated in this chapter. For circumstances described in subrule 6.9(4) above, the charge must be paid when the return must be filed.

This rule is intended to implement Iowa Code section 424.8.

**591—6.11(424) Charge not paid to depositor.** If a receiver fails to pay a charge lawfully imposed on that receiver to a depositor required to collect the charge, then the receiver shall pay the charge directly to the department; and applicable provisions of this Chapter 6 and rules from other chapters incorporated into this chapter by reference apply to the receiver as if the receiver were a depositor.

This rule is intended to implement Iowa Code section 424.8.

**591—6.12(424) Immediate successor liability for unpaid charge.** A depositor selling the depositor's business or stock of petroleum or ceasing to do business is obligated to prepare a final return and pay all charges due within the succeeding month. Any immediate successor to the depositor who purchases the business or stock of petroleum is obligated to withhold a sufficient amount of the purchase price to pay the charge, interest and penalty which the depositor owes. Any immediate successor who intentionally fails to withhold enough of the purchase price to pay the delinquent charge, interest and penalty is personally liable for payment of the charge, interest and penalty. However, if the immediate successor's purchase of the depositor's business or stock of petroleum was made in the good faith belief that the depositor owed no charge, interest or penalty, then the department may waive the liability of the immediate successor. See rule 701—12.14(422,423) for further information regarding a depositor's immediate successor liability, except that the provisions of 701—subrule 12.14(4) regarding "good faith" are not applicable to this rule.

For the purposes of this rule, an immediate successor's belief that the immediate predecessor-depositor owed no charge, interest or penalty is made in good faith if the immediate successor has exercised that caution and diligence which honest persons of ordinary prudence exercise in handling their business affairs with regard to the purchase, and includes an honesty of intention and freedom from knowledge of circumstances which ought to put one on inquiry as to the facts. In order to establish that this belief is held in good faith, a depositor must exercise reasonable prudence to determine whether tax, penalty or interest is owed, and if any facts exist which would lead a reasonable

person to make further inquiry regarding this matter, then the immediate successor must conduct an inquiry concerning whether tax, penalty or interest is owed.

This rule is intended to implement Iowa Code sections 424.6 and 424.8.

**591—6.13(424) Bonding procedure.** The director may, when necessary and advisable in order to secure the collection of the charge, require any depositor to file with the department a bond in an amount which the director may fix, or in lieu of bond, securities or cash in an amount which the director prescribes. Pursuant to the statutory authorization in Iowa Code section 424.9, the director has determined that the following procedure will be instituted with regard to bonds:

**6.13(1) When required.**

*a. New applications for depositor permits.* An applicant for a depositor's permit will be required to post a bond if:

(1) It is determined upon a complete investigation of the applicant's financial status that the applicant would be unable to timely remit the charge, or

(2) The new applicant held a depositor's permit or another permit issued by the department for a current or prior business and the remittance record of the charge or tax under the permit falls within one of the conditions in paragraph "b" below, or

(3) The department experienced collection problems while the applicant was engaged in business under any prior or current permit, or

(4) The applicant is substantially similar to a person who would have been required to post a bond under the guidelines as set forth in "b" or the person had a previous depositor's permit which has been revoked. An applicant is "substantially similar" to the extent that the applicant is owned or controlled by persons who owned or controlled a previous permit holder. For example, X, a corporation, had a previous depositor's permit revoked. X is dissolved and its shareholders create a new corporation, Y, which applies for a depositor's permit. The persons or stockholders who controlled X control Y. Therefore, Y will be requested to post a bond or security.

*b. Existing permit holders.* Existing permit holders will be required to post a bond or security when they have two or more delinquencies in remitting the charge or filing timely returns during the last 24 months. Late filing of a return and late payment of a charge will count as two delinquencies. However, the late filing of the return or the late payment of the charge will not count as a delinquency if the depositor can satisfy one of the conditions set forth in Iowa Code section 421.27.

*c. Waiver of bond.* If a permit holder has been required to post a bond or security or if an applicant for a permit has been required to post a bond or security, upon the filing of the bond or security if the permit holder maintains a good filing and payment record for a period of two years, the permit holder may request that the department waive the continued bond or security requirement.

**6.13(2) Type of security or bond.** When it is determined that a permit holder or applicant for a depositor's permit is required to post collateral to secure the collection of the charge, the following types of collateral will be considered as sufficient: cash, surety bonds, securities or certificates of deposit. See 701—subrule 11.10(2) for characterizations of the security or bond necessary to be posted under this subrule.

**6.13(3) Amount of bond or security.** When it is determined that a permit holder or applicant for a permit is required to post a bond or security, the amount of bond or security required is an amount sufficient to cover nine months or three calendar quarters of charge liability. The department does not accept bonds for less than \$100. If the bond amount is calculated to be less than \$100, a \$100 bond is required.

**6.13(4) Disposal of securities.** Securities may be sold by the director at public or private sale, without notice to the depositor, if it becomes necessary to do so in order to recover any charge, interest or penalty due.

This rule is intended to implement Iowa Code section 424.9.

**591—6.14(424) Revocation of a permit.** The department may revoke a permit if the permit holder has become substantially delinquent in paying any tax or charge which is administered by the department

or the interest or penalty on that tax or charge. The department may revoke a permit if the holder of the permit fails to comply with any of the provisions of 1989 Iowa Acts, chapter 131, or any order or rule of the department, or any order or rule of the board pursuant to that enactment. The department may also revoke a permit upon receipt of a certificate of noncompliance from the child support recovery unit. Concerning the characterization of the term “tax administered by the department,” the local option sales and service tax is a tax administered by the department. Local vehicle, property, whether imposed on centrally assessed property or not, beer and liquor, and insurance premium taxes are nonexclusive examples of taxes which are not administered by the department. For a characterization of the term “substantially” delinquent in paying a tax or charge, see the third unnumbered paragraph of rule 701—13.16(422).

A notice of intent to revoke a permit, with a date to become effective no sooner than 30 days from the date of the notice, will be provided in advance of revocation upon receipt by the board/administrator of a certificate of noncompliance from the child support recovery unit.

This rule is intended to implement Iowa Code section 424.5 and Iowa Code chapter 252J.

**591—6.15(424) Reinstatement of revoked permit.** A revoked permit shall be reinstated only on such terms and conditions as the case may warrant. Terms and conditions shall include payment of any tax, charge, penalty or interest due to the department, or upon receipt by the department of a withdrawal of a certificate of noncompliance from the child support recovery unit. Pursuant to the director’s statutory authority in Iowa Code section 424.5, to restore permits after a revocation, the director has determined that upon the revocation of a depositor’s permit the permit holder will be required to pay all delinquent child support under Iowa Code chapter 252J; to pay all delinquent charges or taxes, file returns, post a bond and refrain from chargeable occurrences under Iowa Code section 424.3, prior to the reinstatement or issuance of a new depositor’s permit.

As set forth above, the director may impose a waiting period not to exceed 90 days during which a permit holder must refrain from chargeable occurrences, before the director restores a permit or issues a new permit after a revocation. The department may require a sworn affidavit, subject to the penalty for perjury, stating that a permit holder has fulfilled all requirements of an order of revocation and stating the dates during which the permit holder refrained from chargeable occurrences. A permit revoked for nonpayment of child support will be reinstated upon receipt from the child support recovery unit of a withdrawal of the certificate of noncompliance.

**6.15(1)** Each of the following situations will be considered one offense, for the purpose of determining the waiting period to reinstate a revoked permit or issue a new permit after a revocation unless otherwise noted.

- a. Failure to post a bond as required.
- b. Failure to timely file a return.
- c. Failure to timely pay the charge or any tax, interest or penalty administered by the department (including unhonored checks and late payments).
- d. Failure to comply with any of the provisions of 1989 Iowa Acts, chapter 131, or any rule or order of the department or board.

**6.15(2)** An administrative law judge or the director may order a waiting period after revocation not to exceed:

- a. Five days for one through five offenses.
- b. Seven days for six through seven offenses.
- c. Ten days for eight through nine offenses.
- d. Thirty days for ten offenses or more.

**6.15(3)** An administrative law judge or the director may order a waiting period not to exceed:

- a. Forty-five days if a second revocation occurs within 24 months of a first revocation.
- b. Sixty days if a second revocation occurs within 18 months of the first revocation.
- c. Ninety days if a second revocation occurs within 12 months of the first revocation.

*d.* Ninety days if a third or subsequent revocation occurs at any time after a second or other prior revocation.

This rule is intended to implement Iowa Code section 424.5 and Iowa Code chapter 252J.

**591—6.16(424) Depositors required to keep records.** The records required by this rule must be made available for examination upon request by the director or by a director's authorized representative. The records must include the normal books of account ordinarily maintained by a person engaged in the deposit of petroleum. The records must include copies of bills of lading or manifests, purchase invoices, copies of sales invoices, exemption certificates, purchase records, sales records, copies of filed distributor reports, Iowa export schedules, copies of credit memos, canceled checks and a check register.

The records required by this rule shall be preserved for a period of five years and open for examination by the department during this period of time. In the case of a false or fraudulent return made with the intent to evade the charge or in the case of a failure to file a return, the period for examining records is unlimited. If a charge liability has been assessed and an appeal is pending to the department, the state board of tax review or district or supreme court, books, papers, records, memoranda or documents specified in this rule which relate to the period covered by the assessment shall be preserved until the final disposition of the appeal.

The records required by this rule may be kept on microfilm or related storage systems or through the use of an automatic data processing system provided the requirements of 701—subrule 11.4(2) are met with reference to microfilm or related record systems or 701—subrule 11.4(3) with reference to automatic data processing systems.

This rule is intended to implement Iowa Code section 424.12.

**591—6.17(424) Claim for refund of charge.** The charge shall be refunded only to whoever has actually paid the charge. A receiver who has actually paid the charge may designate a depositor who collects the charge as an agent for purposes of receiving a refund of the charge. Any person or persons who claim a refund of the charge shall prepare that claim on a prescribed form furnished by the department. A claim for refund shall be filed with the department within three years after the charge payment upon which the refund is claimed became due or one year after the charge payment was made, whichever time is the later. The claim shall state in detail the reasons why a refund is requested and facts supporting the claim and, if necessary, include attached documents which support the claim for refund. If the claim for refund is denied and the claimant wishes to protest the denial, that protest is timely if filed no later than 60 days following the date of the denial.

This rule is intended to implement Iowa Code section 424.15.

IOWA DEPARTMENT OF REVENUE AND FINANCE			ENVIRONMENTAL PROTECTION CHARGE QUARTERLY RETURN	87-002
<p>▲ PERMIT NO.    ▲ FOR QTR ENDING    DATE DUE</p>  <p>I declare that this return is correct and complete.</p> <p>_____ SIGNATURE                      TITLE                      DATE</p>			COMPUTATION	
			1. TOTAL GALLONS	
			2. EXEMPT GALLONS	
			3. GALLONS SUBJECT TO CHARGE	
			4. CHARGE DUE	
			5. PENALTY	
			6. INTEREST	
			7. TOTAL AMOUNT DUE	

INSTRUCTIONS

1. TOTAL GALLONS: ENTER THE TOTAL PETROLEUM GALLONAGE PLACED INTO ALL STORAGE TANKS FOR THE ENTIRE QUARTER.
2. EXEMPT GALLONS: SUBTRACT THE PETROLEUM GALLONAGE PUMPED INTO EXEMPT STORAGE TANKS FOR THE ENTIRE QUARTER.
3. GALLONS SUBJECT TO CHARGE: SUBTRACT LINE 2 FROM LINE 1.
4. CHARGE DUE: MULTIPLY THE GALLONAGE ON LINE 3 BY SEVEN-TENTHS OF ONE CENT (\$.007).
5. PENALTY: IF AT LEAST 90 PERCENT OF THE CHARGE DUE IS NOT PAID BY THE DUE DATE OF THE RETURN A 15 PERCENT PENALTY WILL BE ADDED TO THE UNPAID PORTION OF THE CHARGE DUE.
6. INTEREST: INTEREST ACCRUES ON THE UNPAID PORTION OF THE CHARGE AT A RATE PRESCRIBED BY LAW.
7. TOTAL AMOUNT DUE: ADD THE AMOUNTS ON LINES 4, 5, AND 6 AND ENTER HERE.  
MAKE CHECK PAYABLE TO: TREASURER - STATE OF IOWA.



**ENVIRONMENTAL PROTECTION CHARGE PERMIT APPLICATION**

1. Owner's Name		Soc. Sec. No.		Federal ID No.		Telephone	
2. Business/Trade Name		Federal ID No.		Telephone			
3. Mailing Address of Business		City		State		Zip	
4a. Location Address of Business		City		State		County	
Principle Place of Business (if different than above)		City		State		County	
4b. Other business locations (attach additional sheet if needed)							
5. Type of ownership -		<input type="checkbox"/> Sole Proprietorship		<input type="checkbox"/> Partnership		<input type="checkbox"/> Corporation	
		<input type="checkbox"/> Association		<input type="checkbox"/> Government			
6. Identify all general partners and corporate officers (attach separate sheet if necessary).		Name (last name first)		Soc. Sec. No.		Address	
		City		State		Zip	
		City		State		Zip	
		City		State		Zip	
7. If you are purchasing THIS business, complete the following: (read note 7 below)		Previous Owner Name		Date		Title	
8. Have you previously operated a business in Iowa?		<input type="checkbox"/> Yes		<input type="checkbox"/> No.		If "yes" provide prior business information.	
		Business Name		Withholding I.D. No.		Iowa Sales Tax Permit No.	
		Motor Vehicle Fuel Tax License No.		Has previous permit or license been revoked		<input type="checkbox"/> or cancelled <input type="checkbox"/>	
9. Signature		Date		Signature		Date	

**ENVIRONMENTAL PROTECTION CHARGE PERMITS** Any depositor of petroleum products into underground storage tanks in Iowa is required to obtain a permit and collect the Environmental Protection Charge from the receiver of the petroleum product each time that petroleum products are deposited into a tank not exempted from the Charge.

Each permit holder must file an Environmental Protection Charge return for each calendar quarter with remittance of the total Charges due for that period. Returns must be filed on or before the last day of the month following the close of the calendar quarter.

If you have questions regarding petroleum products upon which the Charge is imposed, or exemptions of tanks from the Charge, contact the Iowa Department of Natural Resources at 515/281-XXXX.

Questions regarding the Environmental Protection Charge and other depositor responsibilities should be directed to the Iowa Department of Revenue and Finance at 515/281-5114.

The entries on this application should be typewritten or printed plainly, and application returned to the Iowa Department of Revenue and Finance, Hoover Building, P.O. Box 10457, Des Moines, Iowa 50306. Incomplete applications will be returned for required information and may delay issuance of a permit.

**INSTRUCTIONS**

1. Enter the individual owner's name, partnership, corporation, organization's name, or government unit's name. If the owner is a sole proprietorship enter the social security number. Enter your federal identification number. If you are in the process of applying for a federal identification number, designate on the application. Enter owner's phone number.
2. If you have a business or trade name different than line 1, enter the name on line 2. Also, if different enter the federal identification number and telephone number on line 2. If you do not have a business or trade name different than line 1, leave line 2 blank.
3. Enter the address to which the tax forms will be sent. Also identify the county of the mailing address.
- 4a. If the location of the principle place of business is different than the mailing address, enter the location address and county.
- 4b. List other business locations from which you transport petroleum for delivery. Attach an additional sheet if needed, providing the location address and county of each additional business location.
5. Identify the ownership type of the business or organization.
6. Enter the names of all general partners and corporate officers, their social security numbers, addresses and titles.
7. Successor Liability - Provide name of previous owner. If you are purchasing this business, you may be liable for the previous owner's unpaid tax.
8. Check whether you have previously operated a business in Iowa. If you check yes, enter the name of the business, former withholding number (generally federal I.D. number), former sales tax permit number, and former motor vehicle fuel tax license number.
9. The application must be signed by the owner of the business. If application is made by a partnership, the signature of at least one of the partners is required. In the case of a corporation, an executive officer or a person specifically authorized by the corporation must sign the application. If a person other than an executive is authorized to sign for the corporation, written evidence of his or her authority must be attached to the application.

	Permit Number	Ownership
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**RECEIVER'S STATEMENT OF EXEMPTION FROM THE  
IOWA ENVIRONMENTAL PROTECTION CHARGE  
on Petroleum Diminution**

87-602 (4/99)  
675-5413 CPS-005/08

(see reverse side for instructions)

Receiver			Depositor		
Address			Address		
City	State	Zip Code	City	State	Zip Code
Tank Registration Number			EPC Permit Number		

Receiver is claiming exemption from the Iowa Environmental Protection Charge on the petroleum deposited for the following reason:

- Aboveground storage tank (less than 10% of stored petroleum product in the tank and piping is underground).
- Tank is owned or operated by the State of Iowa or the federal government.
- Farm or residential tank of 1,100 gallons or less capacity used for storing motor fuel for non-commercial purposes.
- Tank used for storing heating oil for consumptive use on premises where stored.
- Tank has a capacity of 110 gallons or less.
- Airport hydrant fuel system.
- Underground storage tank system with field constructed tanks.
- Other (specify) \_\_\_\_\_

Type of petroleum deposited (attach additional information if necessary): \_\_\_\_\_

Under penalty of perjury, I swear that the information on this form is true and correct

\_\_\_\_\_  
Signature of Receiver Title Date

**INSTRUCTIONS**

**THIS IS NOT AN UNDERGROUND STORAGE TANK EXEMPTION CERTIFICATE.** Only the Iowa Department of Natural Resources has the authority to grant or deny an exemption from the Iowa Environmental Protection Charge (EPC) to an underground storage tank, and issue an exemption certificate.

This form is provided as a convenience for both the receiver and depositor of petroleum products when the receiver's tank falls within a class of underground storage tanks granted a blanket exemption from the Iowa EPC on petroleum diminution.

This "Statement of Exemption" must be maintained in the records of the depositor for five (5) years to verify the reason for non-collection of the Iowa EPC on qualifying deposits of petroleum products.

A separate "Statement of Exemption" is not necessary for each deposit of petroleum into an exempt tank. Once such a statement is on file with the depositor, the same type of petroleum products may be introduced into the receiver's underground storage tank without imposition of the Charge and without completion of a new "Statement of Exemption". Records of all deposits into exempt tanks must be maintained by the depositor and include: date of deposit, receiver's name and address, type of petroleum deposited, and gallonage deposited.

Depositors are required to periodically (at least annually) question each receiver who has filed a "Statement of Exemption" to determine if the information contained in the Statement is accurate and complete.

**PENALTIES**

Any receiver who submits an invalid "Statement of Exemption" may be held directly liable for the unpaid EPC, plus penalty and interest.

Depositors must exercise the caution and diligence which honest persons of ordinary prudence exercise in their business transactions in accepting a receiver's "Statement of Exemption" in lieu of an Iowa Department of Natural Resources tank EPC exemption number.

Any person who willfully attempts to evade the Iowa EPC, the payment of the Charge, or who makes or causes to be made a false or fraudulent return with the intent to evade the Charge is guilty of a class "D" felony (Iowa Code section 424.17).

**IOWA ENVIRONMENTAL PROTECTION CHARGE PERMIT****For Petroleum Diminution**

The permit holder named below is licensed to collect the Iowa Environmental Protection Charge on petroleum products deposited into underground storage tanks in Iowa. Petroleum products subject to this charge are defined by the Iowa Department of Natural Resources in accordance with Chapter 455G, Code of Iowa.

This permit is not transferrable and is valid until revoked or cancelled by the Iowa Department of Revenue.

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