

## NOTICE

### UNDERGROUND STORAGE TANK TAX EXEMPTION CERTIFICATES

As of January 1, 2016, ADEQ can no longer issue Underground Storage Tank (UST) Tax Exemption Certificates for mobile tanks or locomotives because they do not qualify as stationary under the definition of “tank” in Arizona Revised Statutes (A.R.S.) §49-1001. According to A.R.S. §49-1001(19) a tank is defined as a stationary device used to contain regulated substances.



The following is a summary of the “penny per gallon” tax applicability and exemption conditions.

#### “PENNY PER GALLON” TAX APPLICABILITY

According to A.R.S. §49-1031, the “penny per gallon” tax applies only to underground storage tanks regulated under A.R.S. Title 49, Chapter 6.

#### “PENNY PER GALLON” TAX EXEMPTIONS

According to A.R.S. §49-1031 the tax does not apply to the following:

- USTs operated by the United States or agencies of the United States;
- USTs operated by the State of Arizona or agencies of the State of Arizona;
- USTs storing naphtha-type or kerosene-type jet fuel;
- USTs storing a substance specified in CERCLA (1980).

According to Arizona Administrative Code R18-12-410 the tax does not apply to USTs located on tribal land.

Further, the tax does not apply to tanks that do not meet the definition of an UST as defined by A.R.S. §49-1001(21) which includes the following:

- A farm or residential tank of one thousand one hundred gallons or less capacity used for storing motor fuel for noncommercial purposes;
- A tank used for storing heating oil for consumptive use on the premises where stored;
- A septic tank;
- A pipeline facility, including gathering lines, regulated under either the natural gas pipeline safety act of 1968 or the hazardous liquid pipeline safety act of 1979;
- An intrastate pipeline facility regulated under a state law;
- A surface impoundment, pit, pond or lagoon;
- A storm water or wastewater collection system;
- A flow-through process tank;
- A liquid trap or associated gathering lines directly related to oil or gas production and gathering operations;
- A storage tank situated in an underground area, such as a basement, cellar, mine working, drift, shaft or tunnel, if the storage tank is situated on or above the surface of the floor;
- Pipes connected to any of the structures described in subdivisions (a) through (j) of this paragraph.

#### UST TAX EXEMPTION CERTIFICATES

If you are the owner and/or operator of an UST summarized above, then you may qualify for an UST Tax Exemption Certificate. The [Request for UST Tax Exemption Certificate](#) is available on our website. Any questions regarding the UST Tax Program may be directed to Dyanne Baratta at [db3@azdeq.gov](mailto:db3@azdeq.gov), 602.771.4291, toll free within the state of Arizona at 800.234.5677 extension 7714291.