

**138.445 Refund of tax paid on fuels used in operation of watercraft -- Filing of refund claims.**

- (1) Except as provided in KRS 138.240(2)(e), any person who buys any liquid fuel for the purpose of dispensing it directly into fuel tanks installed in or attached to watercraft, for the purpose of operating or propelling watercraft, shall be reimbursed for the tax paid by him pursuant to the provisions of KRS 138.220 to 138.340 upon presenting to the department an application accompanied by the original invoices showing the payment of the purchases, including the liquid fuel tax. The application shall set forth the total amount of the liquid fuel purchased and used by the applicant in the operation or propulsion of watercraft.
- (2)
  - (a) When liquid fuel on which the tax has been paid pursuant to the provisions of KRS 138.220 to 138.340 has been used for the purpose of operating any watercraft and was delivered directly to the fuel tanks installed in or attached to the watercraft, the purchaser of the liquid fuel so used shall be reimbursed for the tax paid. No tax shall be refunded except that paid upon the fuel used exclusively in watercraft motors; and
  - (b) No person shall be entitled to a refund hereunder unless he shall have first filed with the department a bond with approved surety in the amount of not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000) to be determined by the department and upon the payment to the Commonwealth of any refunds to which he was not entitled.
- (3) All refund claims authorized by this section shall be filed with the department on a calendar quarter or calendar year basis on forms and in the manner prescribed by it for refund of the tax paid on the fuel. If the application for refund is mailed to the department, the date of mailing as shown by the postmark shall be taken as the time and date of filing with the department.
- (4) Refunds shall be made only on gasoline and special fuels purchased by locations designated by the department. The tax shall be refunded with interest at the tax interest rate as defined in KRS 131.010(6).

**Effective:** June 20, 2005

**History:** Amended 2005 Ky. Acts ch. 85, sec. 381, effective June 20, 2005. -- Amended 1994 Ky. Acts ch. 65, sec. 13, effective July 15, 1994. -- Amended 1990 Ky. Acts ch. 98, sec. 13, effective January 1, 1991. -- Amended 1988 Ky. Acts ch. 285, sec. 27, effective August 1, 1988. -- Amended 1986 Ky. Acts ch. 496, sec. 17, effective August 1, 1986. -- Created 1960 Ky. Acts ch. 214, secs. 1 and 3, effective June 16, 1960.