Chapter 82.42 RCW
AIRCRAFT FUEL TAX

Sections

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RCW 82.42.010 Definitions. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Air carrier" means any airline, air cargo carrier, air taxi, air commuter, or air charter operator, that provides routine air service to the general population for compensation or hire, and operates at least fifteen round trips per week between two or more points and publishes flight schedules which specify the times, days of the week, and points between which it operates. Where it is doubtful that an operation is for "compensation or hire," the test applied is

whether the air service is merely incidental to the person's other business or is, in itself, a major enterprise for profit.

(2) "Aircraft" means every contrivance now known or hereafter invented, used or designed for navigation of or flight in the air, operated or propelled by the use of aircraft fuel.

(3) "Aircraft fuel" means gasoline and any other inflammable liquid, by whatever name such liquid is known or sold, the chief use of which is as fuel for the propulsion of aircraft, except gas or liquid, the chief use of which as determined by the director, is for purposes other than the propulsion of aircraft.

(4) "Dealer" means any person engaged in the retail sale of aircraft fuel.

(5) "Deny" means to decline acceptance of an application for licensure or reinstatement.

(6) "Department" means the department of licensing.

(7) "Director" means the director of licensing.

(8) "Distributor" means any person engaged in the sale of aircraft fuel to any dealer and includes any dealer from whom the tax hereinafter imposed has not been collected.

(9) "Local service commuter" means an air taxi operator who operates at least five round-trips per week between two or more points; publishes flight schedules which specify the times, days of the week, and points between which it operates; and whose aircraft has a maximum capacity of 60 passengers or 18,000 pounds of useful load.

(10) "Person" means every natural person, firm, partnership, association, or private or public corporation.

(11) "Refuse" has the same meaning as "deny" in subsection (5) of this section.

(12) "Revoke" means to prohibit all authority granted by this chapter, including the display and use of credentials issued by the department for a period of one year or greater or for an indefinite period.

(13) "Suspend" means to restrict the grant of authority under this chapter for a period of less than one year. [2024 c 1 s 17. Prior: 2013 c 225 s 301; 1983 c 49 s 1; 1982 1st ex.s. c 25 s 1; 1979 c 158 s 229; 1969 ex.s. c 254 s 1; 1967 ex.s. c 10 s 1.]

Reviser's note: The definitions in this section have been alphabetized pursuant to RCW 1.08.015(2)(k).

Effective date—2024 c 1: See note following RCW 46.87.020.

Effective date—2013 c 225: See note following RCW 82.38.010.

Effective date—1983 c 49: "This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect May 1, 1983." [1983 c 49 s 3.]

Severability—1982 1st ex.s. c 25: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [1982 1st ex.s. c 25 s 11.]

Effective date—1982 1st ex.s. c 25: "This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public

institutions, and shall take effect July 1, 1982." [1982 1st ex.s. c 25 s 12.]

Effective date—1969 ex.s. c 254: "The effective date of this 1969 amendatory act is July 1, 1969." [1969 ex.s. c 254 s 7.]

RCW 82.42.020 Aircraft fuel tax imposed—Rate. ***(Effective until November 1, 2026.)*** There is levied upon every distributor of aircraft fuel, an excise tax at the rate of 18 cents on each gallon of aircraft fuel sold, delivered, or used in this state. There must be collected from every user of aircraft fuel either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020. The taxes imposed by this chapter must be collected and paid to the state but once in respect to any aircraft fuel. [2022 c 182 s 201; 2013 c 225 s 302; 2005 c 341 s 3; 2003 c 375 s 5; 1996 c 104 s 13; 1982 1st ex.s. c 25 s 2; 1969 ex.s. c 254 s 2; 1967 ex.s. c 10 s 2.]

Intent—Effective date—2022 c 182: See notes following RCW 70A.65.240.

Effective date—2013 c 225: See note following RCW 82.38.010.

Effective date—2005 c 341: See note following RCW 47.68.230.

Effective date—2003 c 375: See note following RCW 47.68.240.

Severability—Effective date—1982 1st ex.s. c 25: See notes following RCW 82.42.010.

RCW 82.42.020 Aircraft fuel tax imposed—Rate. ***(Effective November 1, 2026.)*** There is levied upon every distributor of aircraft fuel, an excise tax at the rate of 25 cents on each gallon of aircraft fuel sold, delivered, or used in this state. There must be collected from every user of aircraft fuel either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020. The taxes imposed by this chapter must be collected and paid to the state but once in respect to any aircraft fuel. [2026 c 255 s 402; 2022 c 182 s 201; 2013 c 225 s 302; 2005 c 341 s 3; 2003 c 375 s 5; 1996 c 104 s 13; 1982 1st ex.s. c 25 s 2; 1969 ex.s. c 254 s 2; 1967 ex.s. c 10 s 2.]

Effective date—2026 c 255 ss 402 and 403: "Sections 402 and 403 of this act take effect November 1, 2026." [2026 c 255 s 1402.]

Intent—2026 c 255: See note following RCW 82.08.020.

Intent—Effective date—2022 c 182: See notes following RCW 70A.65.240.

Effective date—2013 c 225: See note following RCW 82.38.010.

Effective date—2005 c 341: See note following RCW 47.68.230.

Effective date—2003 c 375: See note following RCW 47.68.240.

Severability—Effective date—1982 1st ex.s. c 25: See notes following RCW 82.42.010.

RCW 82.42.030 Exemptions. The provision of RCW 82.42.020 imposing the payment of an excise tax on each gallon of aircraft fuel sold, delivered or used in this state does not apply to:

(1) Aircraft fuel sold for export and exported from this state;

(2) Aircraft fuel imported into the state in interstate or foreign commerce and intended to be sold while in interstate or foreign commerce;

(3) Aircraft fuel sold to an agency of the United States government;

(4) Aircraft fuel delivered directly into the aircraft fuel tanks of equipment operated by an air carrier or supplemental air carrier operating under a certificate of public convenience and necessity under the provisions of the federal aviation act of 1958, P.L. 85-726, as amended;

(5) Aircraft fuel delivered directly into the aircraft fuel tanks of equipment operated by a local service commuter;

(6) Aircraft fuel sold to emergency medical air transport entities;

(7) Aircraft fuel sold to a licensed aircraft fuel distributor;

(8) Aircraft fuel delivered into the bulk storage tank of a certified user;

(9) Aircraft fuel used in the operation of aircraft for testing or experimental purposes; and

(10) Aircraft fuel used in the operation of aircraft when such operation is for the training of crews in Washington state for purchasers of aircraft who are certified air carriers. [2013 c 225 s 303; 2005 c 341 s 4; 1989 c 193 s 4; 1982 1st ex.s. c 25 s 4; 1967 ex.s. c 10 s 3.]

Effective date—2013 c 225: See note following RCW 82.38.010.

Effective date—2005 c 341: See note following RCW 47.68.230.

Severability—Effective date—1982 1st ex.s. c 25: See notes following RCW 82.42.010.

RCW 82.42.040 Application—Bond—Investigation—Fee—Penalty for false statement. (1) Application for a license must be made to the department. The application must be filed in a manner prescribed by the department and must contain information the department requires.

(2) For purposes of this section, the term "applicant" has the same meaning as provided for "person" in RCW 82.42.010.

(3) An application for a license must contain the following information to the extent it applies to the applicant:

(a) Proof, as the department may require, concerning the applicant's identity;

(b) The applicant's business structure and place of business, including proof the applicant is licensed to conduct business in this state;

(c) The employment history of the applicant and any partner, officer, or director of the applicant;

(d) A bank reference and whether the applicant or any partner, officer, or director of the applicant has ever been adjudged bankrupt or has an unsatisfied judgment;

(e) Whether the applicant has been adjudged guilty of a crime or suffered a civil judgment directly related to the distribution and sale of fuel within the last ten years;

(f) Each state, province, or country that the applicant intends to import fuel from by means other than bulk transfer. An applicant must also show proof that the applicant has maintained the appropriate license required of each state, province, or country; and

(g) Each state, province, or country that the applicant intends to export fuel to by means other than bulk transfer. An applicant must also show proof that the applicant has maintained the appropriate license required of each state, province, or country.

(4) An applicant must submit a surety bond in an amount, form, and manner set by the department. In lieu of a bond, an applicant may provide evidence to the department of sufficient assets to adequately meet tax payments, penalties, interest, or other obligations arising out of this chapter.

(5) For the purposes of considering any application for a license, the department may inspect, cause an inspection, investigate, or cause an investigation of the records of this or any other state, province, country, or the federal government to ascertain the veracity of the information on the application and the applicant's criminal, civil, and licensing history.

(6) An applicant who makes a false statement of a material fact on the application may be prosecuted for false swearing as defined by RCW 9A.72.040. [2023 c 470 s 1021. Prior: 2013 c 225 s 304; 2013 c 23 s 335; 2008 c 181 s 507; 1996 c 104 s 14; 1982 1st ex.s. c 25 s 5; 1969 ex.s. c 254 s 3; 1967 ex.s. c 10 s 4.]

Explanatory statement—2023 c 470: See note following RCW 10.99.030.

Effective date—2013 c 225: See note following RCW 82.38.010.

Part headings not law—2008 c 181: See note following RCW 43.06.220.

Severability—Effective date—1982 1st ex.s. c 25: See notes following RCW 82.42.010.

RCW 82.42.055 Computation and payment of tax—Remittance—Electronic funds transfer. (1) The tax must be computed by multiplying the tax rate per gallon by the number of gallons of fuel subject to the fuel tax.

(2) An aircraft fuel distributor is liable for and must pay the tax imposed under RCW 82.42.020 to the department on or before the twenty-fifth day of the month immediately following the reporting period. The tax report required in RCW 82.42.140 must accompany the remittance.

(3) If the tax is paid by electronic funds transfer, the tax must be paid on or before the twenty-sixth calendar day of the month

immediately following the reporting period. If the payment due date falls on a Saturday, Sunday, or legal holiday, payment is due on the state business day immediately preceding the due date.

(4) The tax must be paid by electronic funds transfer whenever the amount due is fifty thousand dollars or more. [2013 c 225 s 405.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.065 Delinquency. (1) If a person is delinquent in the payment of any obligation, the department may give notice of the amount of delinquency to persons having possession or control of credits, personal and real property belonging to the person, or owing debts to the person. Any person notified may not transfer or dispose of credits, personal and real property, or debts without the consent of the department. A person notified must, within twenty days after receipt of notice, advise the department of any credits, personal and real property, or debts in their possession, under their control or owing by them, and must immediately deliver the credits, personal and real property, or debts to the department.

(2) The notice and order to withhold and deliver constitutes a continuing lien on property of the person. The department must include in the notice to withhold and deliver "continuing lien." The effective date of a notice to withhold and deliver is the date of mailing.

(3) If a person fails to timely answer the notice, a court may render a judgment, plus costs by default against the person. [2013 c 225 s 407.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.067 Delinquency—Seizure and sale of property. (1) If a person is delinquent in the payment of any obligation and the delinquency continues after notice and demand for payment the department must collect the amount due. The department must seize any property subject to the lien of tax, penalty, and interest and sell it at public auction. Notice of sale and the time and place must be given to the person and to all persons appearing with an interest in the property. The notice must be in writing at least ten days before the date of sale. Notice must be published for at least ten days before the date of sale in a newspaper of general circulation published in the county the property will be sold. If there is no newspaper of general circulation in the county, the notice must be posted in three public places in the county for a period of ten days. The notice must contain a description of the property together with a statement of the amount due, the name of the person and a statement that unless the amount is paid on or before the time in the notice the property will be sold.

(2) The department must sell the property and deliver to the purchaser a bill of sale or deed. If the moneys received exceed the amount due from the person, the excess must be returned to the person and a receipt obtained. If any person having an interest in or lien upon the property has filed notice with the department prior to the sale, the department must withhold payment of any excess to the person pending determination of the rights of the respective parties by a court of competent jurisdiction. If the receipt of the person is not

available, the department must deposit the excess with the state treasurer as trustee for the person or their heirs, successors, or assigns. Prior to making any seizure of property, the department may first serve upon the person's bondsperson a notice of delinquency and demand for payment of the amount due. [2013 c 225 s 408.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.068 Payment of tax by a nonlicensee. Every person, other than a licensee, who acquires fuel upon which payment of tax is required, if the tax has not been paid, must comply with the provisions of this chapter, and pay tax at the rate provided in RCW 82.42.020. The person is subject to the same duties and penalties imposed upon licensees. [2013 c 225 s 412.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.075 Bonding requirements. (1) A license may not be issued or continued in force unless a bond is provided to secure payment of all taxes, interest, and penalties. This requirement may be waived for licensees properly bonded under the provisions of chapter 82.38 RCW or licensed aircraft fuel distributors who, upon determination by the department, have sufficient resources, assets, other financial instruments, or other means to adequately make payments on monthly aircraft fuel tax payments, penalties, and interest.

(2) The department may require a licensee to post a bond if the department determines a bond is required to protect the interests of the state.

(3) The total amount of the bond or bonds is three times the estimated monthly aircraft fuel tax liability. The total bonding amount may never be less than five thousand dollars nor more than one hundred thousand dollars.

(4) In lieu of a bond, a licensee may deposit with the state treasurer, a like amount of money of the United States or bonds or other obligations of the United States, the state, or any county of the state, of a market value not less than the amount of the required bond.

(5) The department may require a licensee to increase the bond amount or to deposit additional securities as described in this section if the security of the bond or the market value of the securities becomes impaired or inadequate.

(6) Any surety on a bond furnished by a licensee must be released and discharged from any liability accruing on such bond after the expiration of forty-five days from the date the surety provided written notification to the department. This subsection does not relieve, release, or discharge the surety from any liability accrued or which will accrue before the expiration of the forty-five day period. The department must promptly notify the licensee who furnished the bond, and unless the licensee, on or before the expiration of the forty-five day period, files a new bond the department must cancel the license. [2013 c 225 s 403.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.085 Violations—Penalties. (1) It is unlawful for a person to:

(a) Evade a tax or fee imposed under this chapter;

(b) Knowingly assist another person to evade a tax or fee imposed by this chapter;

(c) File a false statement of a material fact or otherwise commit any fraud or make a false representation on an aircraft fuel tax license application, aircraft fuel tax refund application, aircraft fuel tax return, aircraft fuel tax record, or aircraft fuel tax refund claim;

(d) Act as an aircraft fuel distributor unless the person holds a license issued by the department authorizing the person to engage in that business;

(e) Knowingly operate a conveyance for the purpose of hauling, transporting, or delivering aircraft fuel in bulk and not possess an invoice, bill of sale, or other statement showing the name, address, and tax license number of the seller or consignor, the destination, the name, address, and tax license number of the purchaser or consignee, and the number of gallons;

(f) Refuse to permit the department or its authorized representative to examine the person's books, papers, records, storage facilities, and equipment used in conjunction with the use, distribution, or sale of aircraft fuel;

(g) To display, or cause to permit to be displayed, or to have in possession, an aircraft fuel license knowing the same to be fictitious or to have been suspended, canceled, revoked, or altered;

(h) To lend to, or knowingly permit the use of, by one not entitled thereto, any aircraft fuel license issued to the person lending it or permitting it to be used;

(i) To display or to represent as one's own any aircraft fuel license not issued to the person displaying the same; and

(j) To use or to conspire with any governmental official, agent, or employee for the use of any requisition, purchase order, or any card or any authority to which he or she is not specifically entitled by government regulations, for the purpose of obtaining any aircraft fuel upon which the state tax has not been paid.

(2)(a) A single violation of subsection (1)(a) and (b) of this section is a gross misdemeanor under chapter 9A.20 RCW.

(b) Multiple violations of subsection (1)(a) and (b) of this section are a class C felony under chapter 9A.20 RCW.

(3) Violations of (1)(c) through (j) of this section are a gross misdemeanor under chapter 9A.20 RCW.

(4) In addition to other penalties and remedies provided by law, the court must order a person or corporation found guilty of violating subsection (1)(a) through (b) of this section to:

(a) Pay the tax or fee evaded plus interest, commencing at the date the tax or fee was first due, at the rate of twelve percent per year, compounded monthly; and

(b) Pay a penalty of one hundred percent of the tax evaded.

(5) The tax imposed by this chapter is held in trust by the licensee until paid to the department, and a licensee who appropriates the tax to his or her own use or to any use other than the payment of the tax is guilty of a felony or gross misdemeanor in accordance with the theft and anticipatory provisions of Title 9A RCW. A person, partnership, corporation, or corporate officer who fails to pay to the

department the tax is personally liable to the state for the amount of the tax. [2013 c 225 s 420.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.090 Tax proceeds—Disposition—Aeronautics account. ***(Effective until November 1, 2026.)*** All moneys collected by the director from the aircraft fuel excise tax as provided in RCW 82.42.020 shall be transmitted to the state treasurer and shall be credited to the aeronautics account hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for aviation-related purposes. Moneys collected from the consumer or user of aircraft fuel from either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 shall be transmitted to the state treasurer and credited to the state general fund. [2025 c 417 s 1304; 2017 3rd sp.s. c 25 s 42; (2013 c 225 s 305 repealed by 2015 c 228 s 39); 1995 c 170 s 1; 1991 sp.s. c 13 s 37; 1985 c 57 s 86; 1982 1st ex.s. c 25 s 8; 1967 ex.s. c 10 s 9.]

Findings—Intent—2025 c 417: See note following RCW 82.38.030.

Effective date—2013 c 225: See note following RCW 82.38.010.

Effective dates—1991 sp.s. c 13: See note following RCW 18.04.105.

Effective date—1985 c 57: See note following RCW 18.04.105.

Severability—Effective date—1982 1st ex.s. c 25: See notes following RCW 82.42.010.

RCW 82.42.090 Tax proceeds—Disposition—Aeronautics account. ***(Effective November 1, 2026.)*** (1) Seventy-two percent of the revenue collected by the director from the aircraft fuel excise tax as provided in RCW 82.42.020 shall be transmitted to the state treasurer and shall be credited to the aeronautics account hereby created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for aviation-related purposes.

(2) Twenty-eight percent of the revenue collected by the director from the aircraft fuel excise tax as provided in RCW 82.42.020 shall be transmitted to the state treasurer and shall be credited to the sustainable aviation fuel airport infrastructure account created in RCW 43.31.648.

(3) Moneys collected from the consumer or user of aircraft fuel from either the use tax imposed by RCW 82.12.020 or the retail sales tax imposed by RCW 82.08.020 shall be transmitted to the state treasurer and credited to the state general fund. [2026 c 255 s 403; 2025 c 417 s 1304; 2017 3rd sp.s. c 25 s 42; (2013 c 225 s 305 repealed by 2015 c 228 s 39); 1995 c 170 s 1; 1991 sp.s. c 13 s 37; 1985 c 57 s 86; 1982 1st ex.s. c 25 s 8; 1967 ex.s. c 10 s 9.]

Effective date—2026 c 255 ss 402 and 403: See note following RCW 82.42.020.

Intent—2026 c 255: See note following RCW 82.08.020.

Findings—Intent—2025 c 417: See note following RCW 82.38.030.

Effective date—2013 c 225: See note following RCW 82.38.010.

Effective dates—1991 sp.s. c 13: See note following RCW 18.04.105.

Effective date—1985 c 57: See note following RCW 18.04.105.

Severability—Effective date—1982 1st ex.s. c 25: See notes following RCW 82.42.010.

RCW 82.42.095 Date of mailing deemed date of filing or receipt—Timely mailing bars penalties and tolls statutory time limitations. An application, report, notice, payment, or claim for credit or refund properly addressed and deposited in the United States mail is deemed filed or received on the date shown by the post office cancellation mark on the envelope. No penalty for delinquency attaches, nor is the statutory period deemed to have elapsed in the case of credit or refund claims, if it is established by competent evidence that the application, report, notice, payment, or claim for credit or refund was properly addressed and timely deposited in the United States mail, if a duplicate of the document or payment is filed. [2013 c 225 s 406.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.100 Enforcement. The director is charged with the enforcement of the provisions of this chapter and rules and regulations promulgated hereunder. The director may, in his or her discretion, call on the state patrol or any peace officer in the state, who shall then aid in the enforcement of this chapter or any rules or regulations promulgated hereunder. [2013 c 23 s 336; 1967 ex.s. c 10 s 10.]

RCW 82.42.110 Tax upon persons other than distributors—Imposition—Collection—Distribution—Enforcement. Every person other than a distributor who acquires any aircraft fuel within this state upon which payment of tax is required under the provisions of this chapter, or imports such aircraft fuel into this state and sells, delivers, or in any manner uses it in this state, if the tax has not been paid, is subject to the provisions of this chapter provided for aircraft fuel distributors and must pay a tax at the rate computed under RCW 82.42.020 for each gallon thereof so sold, delivered, or used in the manner provided for distributors. The proceeds of the tax imposed by this section must be distributed in the manner provided for the distribution of the aircraft fuel tax in RCW 82.42.090. For failure to comply with the terms of this chapter, such person is

subject to the same penalties imposed upon distributors. The director must pursue against such persons the same procedure and remedies for audits, adjustments, collection, and enforcement of this chapter as is provided with respect to distributors. Nothing herein must be construed as classifying such persons as distributors. [2013 c 225 s 306; 1982 1st ex.s. c 25 s 9; 1971 ex.s. c 156 s 5.]

Effective date—2013 c 225: See note following RCW 82.38.010.

Severability—Effective date—1982 1st ex.s. c 25: See notes following RCW 82.42.010.

RCW 82.42.115 Assessments—Warrant—Lien—Filing fee—Writs of execution and garnishment. When an assessment becomes final the department may file with the clerk of any county within the state a warrant in the amount of the assessment of taxes, penalties, interest and a filing fee under RCW 36.18.012(10). The warrant is a lien upon title to, and interest in all real and personal property of the person against whom the warrant is issued. The warrant is sufficient to support the issuance of writs of execution and writs of garnishment in favor of the state. [2013 c 225 s 402.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.118 Civil and statutory penalties and interest—Deficiency assessments. (1) If any licensee fails to pay any taxes due the state of Washington within the time prescribed in this chapter, the licensee must pay a penalty of 10 percent of the tax due.

(2) If the tax reported by any licensee is deficient a penalty of 10 percent of the deficiency must be assessed.

(3) If any licensee, whether or not licensed as such, fails, neglects, or refuses to file a required fuel tax report, the department must determine the tax liability and add the penalty provided in subsection (2) of this section to the liability. An assessment made by the department pursuant to this subsection or to subsection (2) of this section is presumed to be correct, and the burden is on the person who challenges the assessment to establish by a fair preponderance of the evidence that it is erroneous or excessive.

(4) If any licensee establishes by a fair preponderance of evidence that failure to file a report or pay the proper amount of tax within the time prescribed was due to reasonable cause and was not intentional or willful, the department may waive the penalty prescribed in subsections (1) and (2) of this section.

(5) If any licensee files a false or fraudulent report with intent to evade the tax imposed by this chapter, a penalty of 25 percent of the deficiency must be added to the amount of deficiency, which is in addition to all other penalties prescribed by law.

(6) If any person acts as a licensee without first securing the required license, all fuel tax liability incurred by that person becomes immediately due and payable. The department must determine the amount of the tax liability and must assess the person along with a penalty of 100 percent of the tax.

(7) Any fuel tax, penalties, and interest payable under this chapter bear interest at the rate of one percent per month, or fraction thereof, from the first day of the calendar month after the amount or any portion thereof should have been paid until the date of payment. The department may waive interest when it determines the cost of processing the collection exceeds the amount of interest due.

(8) Except in the case of violations of filing a false or fraudulent report, if the department deems mitigation of penalties and interest to be reasonable and in the best interests of carrying out the purpose of this chapter, it may mitigate the assessments.

(9) Except in the case of a fraudulent report or failure to file a report, deficiencies, penalties, and interest must be assessed within five years from the 25th day of the next succeeding month following the reporting period for which the amount is determined or within five years after the return is filed, whichever period expires later.

(10)(a) Any licensee against whom an assessment is made under the provisions of subsection (2) or (3) of this section may petition for a reassessment within 30 days after service upon the licensee of the assessment. If such petition is not filed within such 30-day period, the amount of the assessment becomes final.

(b) If a petition for reassessment is filed within the 30-day period, the department must reconsider the assessment and, if the licensee has requested in the petition, must grant a review by the department and give 10 days' notice of the time, place, and method of review. The department may continue the review as needed. The decision of the department upon a petition for reassessment becomes final 30 days after service upon the licensee.

(11) Every assessment made by the department becomes due and payable at the time it becomes final and if not timely paid to the department a penalty of 10 percent of the amount of the tax must be added to the assessment.

(12) Any notice of assessment required by this section must be served by depositing such notice in the United States mail, postage prepaid addressed to the licensee at the address shown in the records of the department.

(13) Any licensee who has had a fuel license revoked must pay a $100 penalty, submit an application for reinstatement on forms as prescribed by the department, and must resolve all outstanding violations, noncompliance items, and debts owed under this chapter and chapters 46.87 and 82.38 RCW to the satisfaction of the department prior to the issuance of a new license. [2024 c 1 s 16; 2013 c 225 s 404.]

Effective date—2024 c 1: See note following RCW 46.87.020.

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.125 Bankruptcy proceedings—Notice. A licensee who files a bankruptcy petition, or against whom a petition for bankruptcy is filed, must notify the department of the filing within ten days of the filing. The notice must include the name and location of the court in which the petition was filed. [2013 c 225 s 307; 1997 c 183 s 11.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.130 Administration and enforcement. (1) The department may prescribe, adopt, and enforce reasonable rules relating to administration and enforcement of this chapter.

(2) The department or its authorized representative is empowered to examine the books, papers, records, and equipment of any person distributing, transporting, storing, or using aircraft fuel and to investigate the disposition any person makes of aircraft fuel to determine whether all taxes due or refundable are properly reported, paid, or claimed. If books, papers, records, and equipment are not maintained in this state at the time of demand the department does not lose any right of examination.

(3) The director may, from time to time, require additional reports from any licensee with reference to any of the matters herein concerned. Such reports must be made and filed on forms prepared by the director.

(4) For the purpose of any investigation or proceeding, the director or designee may administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, agreements, or other documents or records which the director deems relevant or material to the inquiry.

(5) In the case of contumacy by or refusal to obey a subpoena issued to, any person, any court of competent jurisdiction upon application by the director, may issue to that person an order requiring appearance before the director or designee to produce testimony of other evidence regarding the matter under investigation or in question.

(6) The department must, upon request from officials responsible for enforcement of aircraft fuel tax laws of any state, the District of Columbia, the United States, its territories and possessions, the provinces or the dominion of Canada, forward information relative to the receipt, storage, delivery, sale, use, or other disposition of aircraft fuel by any person if the other furnishes like information.

(7) The department may enter into an aircraft fuel tax cooperative agreement with another state, the District of Columbia, the United States, its territories and possessions, or Canadian Province for the administration, collection, and enforcement of their respective fuel taxes.

(8) The foregoing remedies of the state in this chapter are cumulative and no action taken by the department may be construed to be an election on the part of the state or any of its officers to pursue any remedy hereunder to the exclusion of any other remedy for which provision is made in this chapter. [2013 c 225 s 401.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.135 Discontinuance, sale, or transfer of business—Notice—Payment of taxes, interest, penalties. A licensee who ceases to engage in business must notify the department in writing at the time of cessation. The notice must give the date of cessation and the name and address of any purchaser or transferee. The licensee must file a report and pay all taxes, interest, and penalties owing. [2013 c 225 s 409.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.140 Periodic tax reports. (1) For the purpose of determining the amount of liability for the tax imposed under this chapter, each aircraft fuel distributor must file monthly tax reports with the department.

(2) Tax reports must be filed on or before the twenty-fifth day of the calendar month following the reporting period to which it relates. A report must be filed even though no tax is due for the reporting period. Each report must contain a declaration that the statements contained therein are true and are made under penalties of perjury. The report must show information as the department may reasonably require for the proper administration and enforcement of this chapter.

(3) If the filing date falls on a Saturday, Sunday, or legal holiday the next secular or business day is the filing date.

(4) The department in order to insure payment of the tax or to facilitate administration of this chapter may require the filing of reports and tax remittances at intervals other than one month.

(5) During a state of emergency declared under RCW 43.06.010(12), the department, on its own motion or at the request of any taxpayer affected by the emergency, may extend the time for filing any report or the due date for tax remittances as the department deems proper. [2013 c 225 s 413.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.145 Fuel records. (1) Every person importing, manufacturing, refining, transporting, blending, or storing aircraft fuel must keep for a period of five years open to inspection at all times during the business hours of the day to the department or its authorized representatives, a complete record of all aircraft fuel purchased or received and all aircraft fuel sold, delivered, or used by them.

(2) Records must show:

(a) The date of receipt;

(b) The name and address of the person from whom purchased or received;

(c) The number of gallons received at each place of business or place of storage in the state of Washington;

(d) The date of sale or delivery;

(e) The number of gallons sold, delivered, or used for taxable purposes;

(f) The number of gallons sold, delivered, or used for any purpose not subject to tax;

(g) The name, address, and aircraft fuel license number of the purchaser if the fuel tax is not collected on the sale or delivery;

(h) The physical inventories of aircraft fuel and petroleum products on hand at each place of business at the end of each month;

(i) Stocks of raw gasoline, gasoline stock, diesel oil, kerosene, kerosene distillates, casing head gasoline, and other petroleum products which may be used in the compounding, blending, or manufacturing of aircraft fuel.

(3) The department may require a person other than a licensee engaged in the business of selling, purchasing, distributing, storing, transporting, or delivering aircraft fuel to submit periodic reports to the department regarding the disposition of the aircraft fuel. The

reports must be on forms prescribed by the department and must contain information as the department may require.

(4) Every person operating any conveyance transporting fuel in bulk must possess during the entire time an invoice, bill of sale, or other statement showing the name, address, and license number of the seller or consigner, the destination, name, and address of the purchaser or consignee, license number, if applicable, and the number of gallons. The person transporting fuel must at the request of any law enforcement officer or authorized representative of the department, produce for inspection required records and must permit inspection of the contents of the vehicle. [2013 c 225 s 414.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.200 Injunctions—Writs. No injunction or writ of mandate or other legal or equitable process may be issued in any suit, action, or proceeding in any court against this state or against any officer of the state to prevent or enjoin the collection under this chapter of any tax or any amount of tax required to be collected. [2013 c 225 s 410.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.205 Suits for recovery of taxes illegally or erroneously collected. (1) No suit or proceeding may be maintained in any court for the recovery of any amount alleged to have been overpaid under RCW 82.42.020 unless a claim for refund or credit has been duly filed pursuant to RCW 82.42.220.

(2) Within ninety days after the mailing of the notice of the department's action upon a claim filed pursuant to RCW 82.42.220, the claimant may bring an action against the department on the grounds set forth in the claim in a court of competent jurisdiction in Thurston county for the recovery of the whole or any part of the amount with respect to which the claim has been disallowed. Failure to bring action within the time specified constitutes a waiver of any demand against the state on account of the alleged overpayments.

(3) If the department fails to mail notice of action on a claim within six months after the claim is filed, the claimant may, prior to the mailing of notice by the department of its intention on the claim, consider the claim disallowed and bring an action against the department, on the grounds set forth in the claim for the recovery of the whole or any part of the amount claimed as an overpayment.

(4) If judgment is rendered for the plaintiff, the amount of the judgment must first be credited on any aircraft fuel tax due and payable from the plaintiff. The balance of the judgment must be refunded to the plaintiff.

(5) In any judgment, interest must be allowed at the rate of twelve percent per annum upon the amount found to have been illegally collected from the date of payment of the amount to the date of allowance of credit on account of the judgment or to a date preceding the date of the refund warrant, but not more than thirty days, the date to be determined by the department. [2013 c 225 s 415.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.210 Denial—Refusal—Suspension—Revocation. (1) The department may refuse to issue to, or suspend or revoke a license of any licensee or applicant:

(a) Who formerly held a license issued under chapter *82.36, 82.38, 82.42, or 46.87 RCW which has been suspended or revoked for cause;

(b) Who is a subterfuge for the real party in interest whose license issued under chapter *82.36, 82.38, 82.42, or 46.87 RCW has been revoked for cause;

(c) Who, as an individual licensee, or partner, officer, director, owner, or managing employee of a licensee, has had a license issued under chapter *82.36, 82.38, 82.42, or 46.87 RCW denied, suspended, or revoked for cause;

(d) Who has an unsatisfied debt to the state assessed under either chapter *82.36, 82.38, 82.42, or 46.87 RCW;

(e) Who formerly held as an individual, partner, officer, director, owner, managing employee of a licensee, or subterfuge for a real party in interest, a license issued by the federal government or a state that allowed a person to buy or sell untaxed motor vehicle or special fuel, which, has been suspended or revoked for cause;

(f) Who pleaded guilty to or was convicted as an individual, partner, officer, director, owner, or managing employee of a licensee in this or any other state, Canadian province, or in any federal jurisdiction of a gross misdemeanor or felony crime directly related to the fuel distribution business or has been subject to a civil judgment involving fraud, misrepresentation, conversion, or dishonesty, notwithstanding chapter 9.96A RCW;

(g) Who misrepresented or concealed a material fact in obtaining a license or reinstating a license;

(h) Who violated a statute or administrative rule regulating fuel taxation or distribution;

(i) Who failed to cooperate with the department's investigations by:

(i) Not furnishing papers or documents;

(ii) Not furnishing in writing a full and complete explanation regarding a matter under investigation by the department; or

(iii) Not responding to subpoenas issued by the department, whether or not the recipient of the subpoena is the subject of the proceeding;

(j) Who failed to comply with an order issued by the director; or

(k) Upon other sufficient cause being shown.

(2) Refusals, suspensions, and revocations under this section become final 30 days after notice is served upon the licensee or applicant of the intention to refuse, suspend, or revoke the authority granted in this chapter.

(3) Before such refusal, suspension, or revocation under this section becomes final, the department must offer the applicant a review by the department and must grant the applicant at least 20 days' written notice of the time, place, and method thereof. [2024 c 1 s 18; 2013 c 225 s 411.]

***Reviser's note:** Chapter 82.36 RCW was repealed in its entirety by 2013 c 225 s 501.

Effective date—2024 c 1: See note following RCW 46.87.020.

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.220 Claim of refund or credit. (1) Claims for refund or credit for aircraft fuel taxes paid under this chapter must be filed with the department on forms prescribed by the department and must contain and be supported by such information and documentation as the department may require. Claims for refund of aircraft fuel taxes must be for at least twenty dollars.

(2) Any amount determined to be refundable by the department must first be credited on any amounts then due and payable from a person to whom the refund is due.

(3) No refund or credit may be approved by the department unless a written claim for refund or credit stating the specific grounds upon which the claim is founded is filed with the department:

(a) Within thirteen months from the date of purchase or from the last day of the month following the close of the reporting period for which the refundable amount or credit is due with respect to refunds or credits allowed and if not filed within this period the right to refund is barred; or

(b) Within five years from the last day of the month following the close of the reporting period for which the overpayment is due with respect to the refunds or credits allowed for aircraft fuel tax licensees.

(4) The department must refund any amount paid that has been verified by the department to be more than twenty dollars over the amount actually due for the reporting period.

(5) Payment credits may not be carried forward and applied to subsequent tax returns for a person licensed under this chapter.

(6) Within thirty days after disallowing any refund claim in whole or in part, the department must provide written notice of its action to the claimant.

(7)(a) Interest must be paid upon any refundable amount or credit due at the rate of one percent per month from the last day of the calendar month following the reporting period for which the refundable amount or credit is due.

(b) The interest must be paid:

(i) In the case of a refund, to the last day of the calendar month following the date upon which the claim is approved by the department; and

(ii) In the case of a credit, to the same date as that to which interest is computed on the tax or amount against which the credit is applied.

(c) If the department determines that any overpayment has been made intentionally or by reason of carelessness, interest is not allowed.

(8) The department must pay interest of one percent on any refund payable that is issued more than thirty state business days after the receipt of a claim properly filed and completed. After the end of the thirty business day period, additional interest accrues at the rate of one percent on the amount payable for each thirty calendar day period. [2013 c 225 s 416.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.230 Refunds. Any person who has purchased aircraft fuel on which tax has been paid may file a claim with the department for a refund of the tax for:

(1) Aircraft fuel used in aircraft that both operate from a private, nonstate-funded airfield during at least ninety-five percent of the aircraft's normal use and are used principally for the application of pesticides, herbicides, or other agricultural chemicals;

(2) Aircraft fuel used in the operation of aircraft for testing or experimental purposes; and

(3) Aircraft fuel used in the operation of aircraft when the operation is for the training of crews in Washington state for purchasers of aircraft who are certified air carriers. [2013 c 225 s 417.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.240 Remedies cumulative. The remedies of the state in this chapter are cumulative and no action taken by the department may be construed to be an election to pursue any remedy to the exclusion of another. [2013 c 225 s 418.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.250 Tax lien. (1) If a person liable for payment of tax fails to pay the amount including any interest, penalty, or addition, together with costs accrued, there must be a lien in favor of the state upon all franchises, property, and rights to property, whether real or personal, belonging to or acquired, whether the property is employed by such person for personal or business use or is in the control of a trustee, receiver, or assignee. The lien is effective from the date taxes were due and payable until the amount is satisfied. The lien has priority over any lien or encumbrance except liens of other taxes having priority by law.

(2) The department must file with any county auditor a statement of claim and lien specifying the amount of delinquent taxes, penalties, and interest owed. [2013 c 225 s 419.]

Effective date—2013 c 225: See note following RCW 82.38.010.

RCW 82.42.260 Reports exempt from public inspection and copying. (1) Reports submitted to the department under RCW 82.42.140 are personal information under RCW 42.56.230(4)(b) and are exempt from public inspection and copying.

(2) This section does not:

(a) Restrict the department from providing summary or aggregate data where the taxpayer's right to privacy or an unfair competitive disadvantage can reasonably be protected;

(b) Prevent the department from entering into data-sharing agreements containing these records with a federal, state, or local agency;

(c) Restrict sharing with law enforcement for purposes of investigation or enforcement; or

(d) Prevent the voluntary sharing of or authorization to access a taxpayer's own information to the taxpayer or their authorized representative. [2024 c 1 s 19.]

Effective date—2024 c 1: See note following RCW 46.87.020.

RCW 82.42.270 Subpoenas. (1) The department or its duly authorized agent may apply for and obtain a superior court order approving and authorizing a subpoena in advance of its issuance. The application may be made in the county where the subpoenaed person resides or is found, or the county where the subpoenaed records or documents are located, or in Thurston county. The application must:

(a) State that an order is sought pursuant to this subsection;

(b) Adequately specify the records, documents, or testimony; and

(c) Declare under oath that an investigation is being conducted for a lawfully authorized purpose related to an investigation within the department's authority and that the subpoenaed documents or testimony are reasonably related to an investigation within the department's authority.

(2) Where the application under this subsection is made to the satisfaction of the court, the court must issue an order approving the subpoena. An order under this subsection constitutes authority of law for the agency to subpoena the records or testimony.

(3) The department or its duly authorized agent may seek approval and a court may issue an order under this subsection without prior notice to any person, including the person to whom the subpoena is directed and the person who is the subject of an investigation.

(4) This section does not preclude the use of other legally authorized means of obtaining records, nor preclude the assertion of any legally recognized privileges.

(5) The department may not disclose any return or tax information obtained in response to a subpoena issued under this section, except as under this chapter.

(6) A third party may not be held civilly liable for any harm resulting from that person's compliance with a subpoena issued under the authority of this section.

(7) The entire court file of any proceeding instituted under this section must be sealed and is not open to public inspection by any person except upon order of the court as authorized by law. [2024 c 1 s 20.]

Effective date—2024 c 1: See note following RCW 46.87.020.