

Notice – Petroleum Products Gross Receipts Tax

In general, the term petroleum products includes crude oil, or any portion thereof, and includes motor fuel, gasohol, other alcohol blended fuels, diesel fuel, aviation fuel, jet fuel, heating oil, motor oil and other petroleum based products that are typically utilized in combustion, lubrication of motors and other mechanical devices, hydraulics, and as commercial and industrial solvents. These products typically include such items as acid oil, alkylates, aromatic chemicals, asphalt and asphaltic materials, benzene, butadiene, coke, petroleum, fractionation products of crude petroleum, refinery or still oil, liquefied petroleum, greases, hydrocarbon fluid, kerosene, mineral jelly, mineral oils, mineral waxes, naphtha, naphthenic acids, paraffin wax, petrolatums, road materials, road oils, and tar or residuum.

However, for purposes of the tax imposed under N.J.S.A. 54:15B-1 et seq., asphaltic materials and polymer grade propylene used in the manufacture of polypropylene are specifically exempt from tax under the law. In addition, home heating oil continues to be exempt from tax under the statute.

The Division determined that the following products are exempt from tax because they have lost their petroleum identity: animal feed, anti-freeze, candles, ink, plastics, roofing shingles, and synthetic fibers.

As of November 1, 2016, the Division will no longer consider the following types of products (that include petroleum as an ingredient) to be subject to the Petroleum Products Gross Receipts Tax: Baby Lotion, Baby Oil, Body Cream/Lotion, Brass Cleaner, Cold Cream, Cooking Spray, Foot Ointment, Furniture Polish, Hair Care, Lighter Fuel, Lighter Products, Lip Balms, Lipstick, Makeup Remover, Mineral Oil, Mineral Wax, Nail Care/Dryer, Nail Polish Remover, Nail Strengthener/Nourishment, Paraffin Based Hand Wax, Paraffin Wax, Personal Care Items, Personal Lubricants, Petroleum Jelly, Shoe Polish, Skin Care Lotion, Wood Polish, and Wood Treatment.

All forms are available on our website at www.state.nj.us/treasury/taxation/

For questions, please email fuel.tax@treas.nj.gov