



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

JUNE 12, 2008

Waste Vegetable Oil Exemption

House Bill 3188, Chapter 237, Laws of 2008, provides exemptions from sales tax, use tax and special fuel tax for waste vegetable oil used to produce biodiesel fuel for personal use. This legislation is **effective July 1, 2008**. This notice describes the sales and use tax exemptions. For information on the special fuel tax exemption, please contact the Department of Licensing's Fuel Tax Section at <http://www.dol.wa.gov/>.

Waste vegetable oil and biodiesel fuel

Waste vegetable oil is used cooking oil gathered from restaurants or commercial food processors. Biodiesel fuel means a mono alkyl ester of long chain fatty acids derived from vegetable oils or animal fats for use in compression-ignition engines.

Purchases for personal use

Personal use is any use of biodiesel fuel produced from waste vegetable oil by a person that is not engaged in selling biodiesel fuel at wholesale or retail. To make an exempt purchase, buyers of waste vegetable oil must complete a *Buyers' Retail Sales Tax Exemption Certificate* and provide it to the restaurant or commercial food processor from which they purchase. A copy of the certificate is attached for your convenience.

Purchases by resellers

Resellers of waste vegetable oil may purchase the oil without paying retail sales tax by providing the seller with a complete resale certificate. However, resellers may incur a special fuel tax liability. Resellers should contact the Department of Licensing's Fuel Tax Section for more information.

P.O. BOX 47478 | OLYMPIA, WASHINGTON 98504-7478 | 1-800-647-7706 | [HTTP://DOR.WA.GOV](http://DOR.WA.GOV)

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