

## Changes to Tax Law on Propane Gas Sold in Free-standing Containers

The Vermont legislature recently amended the law to clarify how the Vermont Fuel Gross Receipts Tax and Vermont Sales Tax should be applied to free-standing containers of propane.

Effective July 1, 2014, propane sold at retail in free-standing containers is subject to:

Vermont 6.0% Sales Tax.....YES

Vermont Fuel Gross Receipts Tax.....NO

The sales tax is charged when you:

- Buy a new container with propane
- Exchange an empty container for a full container

However, sales tax is *not charged* when you refill a container that you own.

**If you have questions, please call the Department at 802-828-2551, option 3.**

*The amendments were made to 33 V.S.A. § 2503 and 32 V.S.A. § 9741(26).*

Disclaimer: This fact sheet is intended to provide an overview only. Vermont tax statutes, regulations, Vermont Department of Taxes rulings, or court decisions supersede information provided in this fact sheet.

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