

Dyed Diesel/Kerosene Dispenser Labels: PMAA Weekly Review Notes Increased Internal Revenue Service Enforcement



Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

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The November 15th edition of the *PMAA Weekly Review* (“Review”) published an article titled:

IRS Issues Hefty Fines for Failure to Display Dyed Fuel Dispenser Labels

The *Review* is published by the Petroleum Marketers Association of America (“PMAA”) which is a trade association based in the Washington, D.C. area.

The article reminds owners of dyed diesel and dyed kerosene dispensers on which they are required to have a label indicating that the fuel is for nontaxable use only. It further notes that this labeling requirement has been in place for diesel and dyed diesel dispensers since 1993. The requirement has been in place for dyed and clear kerosene dispensers since 1998.

PMAA states that it has, and continues to receive, information about ongoing Internal Revenue Service enforcement of dispenser labeling requirements.

Petroleum marketers are reminded that there may be an incorrect understanding of certain aspects of the labeling. The *Review* notes that:

. . . some petroleum marketers are under the mistaken belief that the EPA’s LSD and ULSD dispenser labels – which also provide notice on nontaxable use of these fuels – are a replacement for the IRS labels. This is incorrect. Both the IRS and EPA labels are required despite their apparent redundancy.

The article provides reference to the correct labels.

A copy of the article which has the correct labeling information can be downloaded [here](#).