



Tax Division
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Tax Compliance Guide

Gasoline and Special Fuels

(9/2023)

THIS GUIDANCE IS A SUMMARY IN LAYMEN'S TERMS OF THE RELEVANT AURORA TAX LAW FOR THIS TOPIC, INDUSTRY, OR BUSINESS SEGMENT. IT IS PROVIDED FOR THE CONVENIENCE OF TAXPAYERS AND IS NOT BINDING UPON THE CITY. IT IS NOT INTENDED FOR LEGAL PURPOSES TO BE SUBSTITUTED FOR THE FULL TEXT OF THE AURORA MUNICIPAL CODE AND APPLICABLE RULES AND REGULATIONS. THIS GUIDE DOES NOT CONSTITUTE A CITY TAX POLICY.

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The *Aurora Municipal Code* provides an exemption to sales of gasoline and special fuels which are subject to the state gasoline and special fuel tax, as required under Title 39, Article 27 of the Colorado Revised Statutes. This article imposes a tax upon "all gasoline or special fuels acquired, sold, offered for sale, or used in this state for any purpose whatsoever, but only one tax shall be paid upon the same gasoline or special fuel in this state."

Fuels such as gasoline, diesel engine fuel, kerosene, liquefied petroleum gas (propane), and natural gas that are not used to propel motor vehicles upon public roadways are subject to Aurora sales and use tax. If the Colorado fuel tax is not paid, or is eligible to be refunded to the user, gasoline and special fuels are taxable tangible personal property.

"Gasoline" means casing head or natural gasoline, benzol, benzene and naphtha, gasohol and any liquid prepared, advertised, offered for sale, sold for use, or used or commercially usable in internal combustion engines for the generation of power for the propulsion of motor vehicles upon the public highways. The term does not include fuel used for the propulsion or drawing of aircraft or railroad cars or railroad locomotives.

Examples

1. The owner of a business decides to host a barbecue for his employees. In preparation, he purchases 15 gallons of propane for his grill and twenty gallons of unleaded gasoline for his business lawn mower from a licensed Aurora retailer. The owner of the business must pay Aurora sales tax on the propane, because it will not be used in a motor vehicle. The gasoline for the business lawnmower will not be used in a motor vehicle upon the public highways. It is subject to Aurora use tax because it is purchased and used for exempt purposes as defined by Colorado statute and is not subject to the gasoline and fuel excise tax. Therefore, it is subject to Aurora sales or use tax.
2. A construction contractor with a yard in Denver is building a structure in Aurora using construction equipment. The contractor uses 100 gallons of dyed diesel fuel in their equipment completing the project. This fuel is subject to Aurora sales and use tax because it is exempt from the State gasoline and special fuels excise tax.

Related Topics

Construction Consumables
 Construction Equipment
 Gas and Electric Services, Steam and Other Heating Services
 Use Tax

Citations

Aurora Municipal Code
 § 130-31. Definitions
 § 130-33. Legislative Intent
 § 130-156. Taxable Items
 § 130-157. Items Exempt from Taxation
 § 130-160. Responsibility for Payment
 § 130-161. Schedule of Taxes
 § 130-196. Levy
 § 130-199. Use Tax Credit

Contact Us

For additional assistance, please contact us:

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