



<https://dor.sd.gov/> 1-800-829-9188

Transporter

The purpose of this Tax Fact is to explain how South Dakota motor fuel taxes apply to motor fuel transactions. It is not intended to answer all questions that may arise. The information contained in this fact sheet is current as of the date of publication.

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Who Needs a Transporter License?

Any person engaged in the activity of interstate or intrastate movement of fuel by transport truck, railcar, or by other means in quantities greater than 4,200 gallons in one load.

South Dakota Motor Fuel Tax Rates

Gasoline	.28
Undyed Diesel	.28
Ethanol	.14

Diversion Tickets

South Dakota relies on the information that is printed on the bill of lading (BOL) because it determines the taxability of fuel products. However, if a shipment was destined to go to one destination, but was then diverted to another destination or if the issuer of the BOL failed to list the correct information on the BOL, a diversion ticket will need to be issued for the shipment or partial shipment.

Visit <https://dor.sd.gov/individuals/taxes/motor-fuel/> for a complete list of motor fuel tax rates.

The entity that causes the diversion is responsible for reporting the diversion.



Example:

Noxious Gas Inc. purchased ethanol from a licensed ethanol producer, Vicious Fuel in Minnesota, with an original destination in Minnesota. While Noxious Gas was en route to one of their locations in Minnesota, they received notification that their gas station in South Dakota was running very low on ethanol. Noxious Gas chose to divert the load to South Dakota.

- Since Noxious Gas caused the diversion, they would be required to report this diversion on their import/export license and a diversion ticket is issued.

Diversion Tickets

If multiple deliveries are made for one BOL, a drop load ticket must be issued for each location that fuel is delivered to.

Information that must be on a drop load ticket:

- Transporter or carrier's name and address
- Date of the fuel delivery
- Drop load ticket number
- Destination state on original BOL or diversion ticket
- Original BOL number and diversion ticket number, if applicable
- Destination state of each location that the fuel was offloaded
- Number of gross gallons offloaded at each location
- Type of fuel offloaded at each location
 - ⇒ If an ethanol or methanol blend the alcohol gallons and gasoline gallons must be listed separately

Record Keeping

Detailed records must be kept of all fuel transactions. Records must be kept for the current year plus three preceding years.

Required records to keep include, but may not be limited to:

- Bills of lading
- Shipping records
- Diversion tickets
- Drop-load tickets
- Journals/Ledgers

Go online to <https://dor.sd.gov/businesses/taxes/motor-fuel/> for tax information that applies to your business.

Please go to our website at <https://dor.sd.gov/> and search for our filing guides if you would like assistance filling out online returns.

Contact Us

If you have any questions, please contact the **South Dakota Department of Revenue.**

Call toll-free: 1-800-829-9188

Motor Vehicle Division Email: sdmotorfuel@state.sd.us

Website: <https://dor.sd.gov/>

Mailing address and office location: South Dakota Department of Revenue
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