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M E M O R A N D U M

DEPARTMENT OF ENVIRONMENTAL QUALITY

WATER DIVISION

SUBJECT: Guidance Memo No. 92 - 006 Addendum No. 5
Authorizations to Issue Certifications for Tax Exemptions
Underground Storage Tanks

TO: Regional Directors

FROM: Larry G. Lawson, P. E. 

DATE: November 4, 1996

COPIES: Regional Permit Managers, Regional Groundwater Managers,
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We have been receiving various questions on tax exemption certifications for replacing underground storage tanks and the interpretation of our current guidance for new underground storage tanks. Thus, to help clarify the existing guidance and to provide additional guidance on this issue we have prepared this addendum.

Please replace Section J.3. in Guidance Memo No. 92 - 006 with the following:

3. There is no sales tax exemption for the cost of replacing USTs or purchasing new USTs (tanks and/or piping). Costs incurred to upgrade an existing UST (tank and/or piping) are exempt if the equipment or device is pollution control related and is required to comply with the UST Technical Regulation. For existing USTs, the Board ordinarily will certify the tank linings, bladders, impressed current corrosion protection systems, sacrificial anodes, spill prevention devices/buckets, overflow protection devices/alarms, and required leak detection devices for tanks/piping to be eligible for tax exemption certification.