

INSTRUCTIONS -- CALIFORNIA OIL RECYCLING FEE RETURN

GENERAL

The State of California Department of Resources Recycling and Recovery is responsible for collecting the fee due under the California Oil Recycling Enhancement Act. The fee is imposed on the first sale or use of lubricating oil in this state, or on lubricating oil that is imported for sale or use in this state. The fee is intended to fund projects that will reduce the illegal disposal of used oil and to encourage recycling and reclamation of used oil to the greatest extent possible in order to recover valuable natural resources and to avoid damage to the environment and threats to public health.

DEFINITIONS

“Oil manufacturer” means the first person or entity in the state to take title to lubricating or industrial oil for sale, use, or transfer in the state of California.

“Industrial oil” includes but is not limited to, any compressor, turbine, or bearing oil, hydraulic oil, metal-working oil or refrigeration oil. Industrial oil does not include dielectric fluids.

“Lubricating Oil”, includes, but is not limited to, any oil which is intended for use in machinery powered by an internal combustion engine. Lubricating oil includes, but is not limited to, any oil intended for use in an internal combustion engine crankcase, transmission, gearbox, or differential in an automobile, bus, truck, vessel, plane, train, heavy equipment, or other machinery powered by an internal combustion engine. Lubricating oil also includes consumer additives which are intended to be mixed with lubricating oils in an internal combustion engine and synthetic lubricating oils. Lubricating oil does not include oil intended for use in a 2-cycle engine where the oil is entirely consumed during usage.

“Rerefined oil” means a lubricant base stock or oil base that has been derived from used oil and that meets all of the following criteria:

1. Processed using a series of mechanical or chemical methods, or both, including at a minimum, but not limited to, vacuum distillation, followed by solvent refining or hydrotreating; and
2. Capable of meeting the Physical and Compositional Properties, in addition to the Contaminants and Toxicological Properties, as defined under the American Society for Testing and Materials (ASTM) D6074-99 standard; and
3. Processed into a material that has a performance quality level suitable for use in a finished lubricant

A producer of a rerefined base stock shall provide a purchaser of that base stock with information that certifies that the rerefined base stock is rerefined oil, as that term is defined above. Any rerefined base stock that does not meet the above definition shall not be sold as rerefined oil and is subject to all applicable hazard, personal protection, and risk communication requirements until subsequent testing demonstrates compliance with the above definition.

FILING REQUIREMENTS

Every oil manufacturer is required to file a fee return on or before the last day of the month following each quarterly period to which it relates, together with a remittance for the amount of the fee, if any, due for that quarter. This return must be filed even though no fees are due. A duplicate of the return should be retained for verification by a State auditor.

PREPARATION OF RETURN

- Line 1 Total gallons of industrial oil sold or transferred in California. Enter the total gallons of industrial oil sold or transferred by you for each month of the quarter and the total gallons for the quarter. (Columns A+ B + C = D). NO FEE IS DUE.
- Line 2 Total gallons purchased from California suppliers. Enter the total gallons of industrial oil purchased from California suppliers that are included in line 1.
- Line 3 Total gallons of industrial oil exported or sold for export from California. Enter the total gallons of industrial oil exported or sold for export from California that are included in line 1.
- LINE 4 Total gallons of lubricating oil sold or transferred in California. Enter the total gallons of lubricating oil sold or transferred in California by you for each month of the quarter and the total gallons for the quarter. (Columns A+ B + C = D).
- LINE 5 Total gallons of lubricating oil purchased. Enter the total gallons of lubricating oil purchased outside California for use within California for each month of the quarter and the total gallons for the quarter. (Columns A+ B + C = D).
- LINE 6 Total. Enter the total of lines 4 and 5.
- LINE 7 Total gallons of rerefined oil sold or transferred in California. Enter the total gallons of rerefined oil sold or transferred in California by you for each month of the quarter and the total gallons for the quarter. (Columns A+ B + C = D).
- LINE 8 Total gallons of rerefined oil purchased. Enter the total gallons of rerefined oil purchased outside California for use within California for each month of the quarter and the total gallons for the quarter. (Columns A+ B + C = D).
- LINE 9 Total. Enter the total of lines 7 and 8.
- LINE 10E Total gallons of lubricating oil purchased and fee paid. Enter the total gallons of lubricating oil purchased from California suppliers, in which the fee was paid, which are included in line 4. Retain documentation to support the fee was paid on your purchase.

- LINE 10F** Total gallons of rerefined oil purchased and fee paid. Enter the total gallons of rerefined oil purchased from California suppliers, in which the fee was paid, which are included in line 7. Retain documentation to support the fee was paid on your purchase.
- Line 11E** Total gallons of lubricating oil exported or sold for export. Enter the total gallons of lubricating oil exported or sold for export from California, which are included in line 4. Retain documentation to support that the oil was exported or sold for export.
- Line 11F** Total gallons of rerefined oil exported or sold for export. Enter the total gallons of rerefined oil exported or sold for export from California, which are included in line 7. Retain documentation to support that the oil was exported or sold for export.
- LINE 12E** Total gallons of lubricating oil sold to vessels engaged in interstate or foreign commerce. Enter the total gallons of lubricating oil sold to vessels engaged in interstate or foreign commerce, for their own use, which are included in line 4. Retain documentation of any claim for exemption of these sales.
- LINE 12F** Total gallons of rerefined oil sold to vessels engaged in interstate or foreign commerce. Enter the total gallons of rerefined oil sold to vessels engaged in interstate or foreign commerce, for their own use, which are included in line 7. Retain documentation of any claim for exemption of these sales.
- LINE 13E** Total gallons of bulk lubricating oil imported, transferred, or sold to a motor carrier. Enter total gallons of lubricating oil imported into, transferred in, or sold in California in bulk (non-packaged form in containers larger than 55 gallons) to a motor carrier for their own use in motor trucks of three or more axles that are more than 10,000 pounds gross vehicle weight rating or truck tractors. Retain documentation, such as exemption certificates, for all claims for exempt sales to motor carriers.
- LINE 13F** Total gallons of bulk rerefined oil imported, transferred, or sold to a motor carrier. Enter total gallons of rerefined oil imported into, transferred in, or sold in California in bulk (non-packaged form in containers larger than 55 gallons) to a motor carrier for their own use in motor trucks of three or more axles that are more than 10,000 pounds gross vehicle weight rating or truck tractors. Retain documentation, such as exemption certificates, for all claims for exempt sales to motor carriers.
- LINE 14E** Total of exempt gallons of lubricating oil. Enter the total exempt gallons reported on lines 10E through 13E. Total should not be greater than line 4D.
- LINE 14F** Total of exempt gallons of rerefined oil. Enter the total exempt gallons reported on lines 10F through 13F. Total should not be greater than line 7D.
- LINE 15** Amount of gallons of lubricating oil on which oil recycling fee applies. Subtract line 14E from, line 6, Column D.
- LINE 16** Lubricating oil fee rate per gallon. Current rate per gallon.
- LINE 17** Calculated fee amount due for lubricating oil. Multiply gallons on line 15 by the rate on line 16, enter zero if gallons on line 15 is five (5) or less. Do not round.
- LINE 18** Amount of gallons of rerefined oil on which oil recycling fee applies. Subtract line 14F from line 9, Column D.
- LINE 19** Rerefined oil fee rate per gallon. Current fee rate per gallon.
- LINE 20** Calculated fee amount due for rerefined oil. Multiply the gallons on line 18 by the rate on line 19. Do not round.
- LINE 21** Sub-total of fees. Enter the total of lines 17 and 20.
- LINE 22** Penalty of 10%. If the payment is postmarked after the due date, multiply the subtotal of fees on line 21 by .10.
- LINE 23** Interest. If the payment is postmarked after the due date, multiply the subtotal of fees on line 21 by the rate on line 23 and then multiply that amount by the number of months past due. Rate is subject to change on Jan 01, 2022.
- LINE 24** Total amount due and payable. Add lines 21, 22 and 23.
- LINE 25** Signature. This Fee Return must be signed by a duly authorized representative who has the authority to legally bind payee. The signature must be an original. No rubber stamps or facsimile are allowed.

IF YOU NEED ADDITIONAL INFORMATION PLEASE CONTACT:

**THE DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY (CALRECYCLE)
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