

## **TEMPORARY ENFORCEMENT POLICY: HALF –GALLON PRICING AT CERTAIN RETAIL LOCATIONS.**

In response to the recent increase in motor fuel prices in the State of New Jersey, the New Jersey Division of Taxation has elected to implement, on a temporary basis, an enforcement policy that will allow for the sale of gasoline in half – gallon units.

Some motor fuel dispensers are incapable of displaying per gallon prices over \$4.00 and as such will not compute prices exceeding \$3.999 per gallon. These dispensers must be equipped with an upgrade kit which will allow the dispenser to display and compute prices over \$4.00 per gallon.

The New Jersey Division of Taxation will allow the half-gallon pricing provided the following conditions are met:

1. The motor fuel dispenser will not display or compute per gallon prices of \$4.00 or more.
2. The retail location intends to charge more than \$ 4.00 per gallon for the fuel being sold.
3. All posted price signs and advertising clearly state the “price per gallon” of the gasoline being sold.
4. The signage on the face of motor fuel dispenser must clearly state “one half total sale” and “one half price per gallon”.
5. The retail dealer or owner of the station has made appropriate arrangements to replace the motor fuel dispenser with an upgrade kit to display and compute unit prices of \$4.00 per gallon. Proof that the retail dealer or owner has made the appropriate arrangements must be retained at the retail location and be available for inspection upon the request.
6. The retail dealer or owner of the station must provide the New Jersey Division of Taxation written proof of the date by which the location will have the upgrade kit installed. If the installation can not be completed by that date the retail dealer or owner of the station must notify the Division of Taxation (in writing) as to why the installation can not be completed by the stated date and provide an alternate date.
7. All written correspondence should be addressed to The New Jersey Division of Taxation – Motor Fuel Section, P.O. Box 189, Trenton, N.J. 08695-0189 or Faxed to (609)-588-3390.