

**State of Delaware**  
**Motor Fuel Tax Administration**  
**Special Fuel User/Dealer License Cancellation Instructions**

In order to cancel a Delaware Special Fuel User/Dealer license, the Delaware Motor Fuel Tax Administration *must be notified at least five days* prior to the effective date of cancellation. Your company will be considered licensed until proper notification is received by this department and the request can be processed.

1. Prepare a letter on company letterhead to the Audit & Compliance Operations Manager communicating your intent to cancel your license. Include in this correspondence, the reason for the cancellation, the effective date of the cancellation, and any additional information that pertains to the request. Please include the name and phone number of the contact person responsible for handling the closeout procedures for your license. The original letter must be received by this department in order to process requests for cancellation. Fax copies will not be accepted.
2. Return the original license issued by this department along with your letter of intent to cancel the license. If the license is not available, please include a statement in your letter of intent to cancel of the reason for not returning the license.
3. Contact your fuel supplier to communicate that your license will be cancelled along with the effective date. In addition, please instruct your supplier to begin charging the Delaware state excise tax of 22 cents per gallon on all low sulfur clear diesel fuel deliveries after the effective date of the license cancellation provided by this department.
4. Prepare the final Delaware Special Fuel User/Dealer tax return for the period ending with the effective date of your license cancellation. Check the box at the top of the return to indicate that this is a final return. The tax return must be filed by the due date of the tax return as provided by Delaware law. If a final tax return is not filed or is filed after the due date of the tax return, your company may be subject to a late filing penalty as provided by Delaware Law.
5. Remit the Delaware excise tax of 22 cents per gallon on all tax-free low sulfur clear diesel bulk storage maintained by your company. Report the ending inventory gallons by including this figure with the other taxable use gallons reported on line 4A.

This department will issue a letter upon receipt of the request notifying your company that the request has been received, the effective date of the cancellation, and any additional instructions or information necessary in order to process the request.

A final close out audit may be scheduled of your company to verify that all Delaware excise taxes have been properly paid. Notification will be provided of this Department's intent to perform a close out audit along with the period for which the audit will be conducted and records to be examined.

If your company has any outstanding credit memos validated and issued by this department, a written request must be made to have these monies refunded. All claims for request of refund of any credit memos received more than one year from the issuance of the credit memo will be disallowed.

Once all tax returns have been filed and all outstanding liabilities have been satisfied, the Special Fuel User/Dealer bond may be cancelled. A clearance letter may be requested in writing from this department authorizing the cancellation of your surety bond. Please address this correspondence to the Audit & Compliance Operations Manager.

All correspondence should be forwarded to:

Delaware Department of Transportation  
Motor Fuel Tax Administration  
P.O. Drawer E  
Dover, DE 19903

If you have any questions regarding this cancellation of a license, please call (302) 744-2715.