

**PENNSYLVANIA DISTRIBUTOR'S
GUIDE TO LICENSE
CLASSIFICATIONS**

LICENSE CLASSIFICATION	DESCRIPTION OF DISTRIBUTOR	PERMITTED DISTRIBUTOR ACTIVITY
Class 1 – Refiner/Wholesaler of liquid fuels and fuels	Refiner (i.e large oil company wholesaling liquid fuels or fuels) or one who has more than 50 percent of their liquid fuels and fuels business categorized as wholesale.	<ul style="list-style-type: none"> • Purchase tax free from any other licensed distributor • Import/export any fuel • Make tax-free sales to exempt entities, or other properly licensed distributor(s)
Class 2a – Wholesaler of liquid fuels (gasoline or gasohol only)	Wholesaler of gasoline and/or gasohol servicing retail accounts and exempt entities.	<ul style="list-style-type: none"> • Purchase tax-free gasoline or gasohol from any Class 1, 2a, or 4 distributor • Import/export gasoline or gasohol • Make tax-free sales of gasoline or gasohol to any Class 1, 2a, or 5 distributor, or an exempt entity
Class 2b – Wholesaler of liquid fuels (jet or aviation gasoline only)	Wholesaler of jet fuel or aviation gasoline.	<ul style="list-style-type: none"> • Purchase tax-free jet fuel or aviation gasoline from any Class 1, 2b, or 4 distributor • Import or export jet fuel or aviation gasoline • Make tax-free sales of jet fuel or aviation gasoline to any Class 1, 2b, or 5 distributor, or an exempt entity
Class 3 – Wholesaler of fuels (diesel and kerosene only)	Wholesaler of diesel fuel and/or kerosene servicing retail accounts and exempt entities.	<ul style="list-style-type: none"> • Purchase tax-free clear diesel from any Class 1, 3, or 4 distributor • Import/export diesel or kerosene • Make tax-free sales of clear diesel or kerosene to any Class 1, 3, 3S, 5, or 6 and 6a (kerosene) distributor
Class 3S – Large off-highway user of undyed diesel or undyed kerosene	Must have annual usage of 300,000 gallons or more of which 25 percent or more is used off highway. Must also sign agreement with the Dept. of Revenue relative to maintenance of records.	<ul style="list-style-type: none"> • Purchase tax-free undyed diesel or undyed kerosene from any class – 1, 3, 4, 6, or 6a distributor • Permitted uses of fuel are specified in agreement • May NOT make taxable or nontaxable sales of fuels.
Class 4 – Importer of liquid fuels or fuels	One who imports liquid fuels primarily for their own use and has insufficient wholesale activity to become a Class 1, 2a, 2b, or 3 distributor.	<ul style="list-style-type: none"> • Import liquid fuels or fuels and be accountable for product imported • Make tax-free sales to any other properly licensed distributor • May NOT purchase tax free from other licensed distributors (resales)
Class 5 – Exporter of liquid fuels or fuels	One who acquires product tax free for reason of export only.	<ul style="list-style-type: none"> • May purchase tax free from any licensed distributor for export of product only • May NOT sell and collect tax within Pennsylvania
Class 6 – Kerosene dealer	One who does not qualify as a Class 1 or 3 distributor above, but who needs to acquire tax free clear kerosene for (1) subsequent sale and delivery to PA residential units for heating purposes, or (2) retail sales, as in five-gallon quantities, for residential heating purposes. Sales are not necessarily from a "blocked pump".	<ul style="list-style-type: none"> • May purchase tax-free clear kerosene from any properly licensed distributor • May import/export kerosene • May deliver and make tax-free sales to PA residents for heating purposes, or sell at retail for residential heating purposes from a pump marked "Kerosene – For Non-highway Use Only" • May NOT sell, blend, or use kerosene in a taxable manner
Class 6a – Kerosene dealer	One who does not qualify as a Class 1 or 3 distributor above, but who needs to acquire tax-free clear kerosene. All sales of kerosene are from "blocked pumps," and the dealer is licensed as a 637-UP registrant with the IRS.	<ul style="list-style-type: none"> • May purchase tax-free clear kerosene from any properly licensed distributor • May import/export kerosene • May deliver and make tax-free sales to PA residents for heating purposes, or sell at retail for residential heating purposes from "blocked pumps" only. • May NOT sell, blend, or use kerosene in a taxable manner

Questions regarding the above should be addressed to the PA DEPARTMENT OF REVENUE, BUREAU OF MOTOR AND ALTERNATIVE FUEL TAXES, PO BOX 280646, HARRISBURG, PA 17128-0646, or by telephone to 717-787-8292.