MEMORANDUM
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,
Hassan Vakili, Andy Hagelin, Mary-Ellen A. Kendall, Russ Ellison

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 devise 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,
overfill protection devices/alarms, and required leak
detection devices for tanks/piping to be eligible for tax
exemption certification.