



STATE OF VERMONT  
 AGENCY OF TRANSPORTATION  
 DEPARTMENT OF MOTOR VEHICLES  
 120 State Street, Montpelier, VT 05603-0001



**DIESEL FUEL TAX  
 DISTRIBUTOR'S BOND TO STATE OF VERMONT**

**BOND NO.** \_\_\_\_\_

This agreement is entered between \_\_\_\_\_, as principal, and  
 \_\_\_\_\_, as Surety.

The principal has applied to the Commissioner of Motor Vehicles of Vermont for a license to engage in business as a Diesel Fuel Distributor, beginning on \_\_\_\_\_. If the Commissioner of Motor vehicles grants this application, the Principal agrees to render all reports and pay all taxes, penalties and fines provided in Chapter 27 of Title 23 of Vermont Statutes Annotated.

If the principal fails to render any report or pay tax, penalty or fines required under Chapter 27 of Title 23 of Vermont Statutes Annotated, as amended from time to time, the Principal and Surety jointly and separately bind themselves, their heirs, executors, administrators and successors to pay to the State of Vermont and/or the Commissioner of Motor Vehicles of Vermont up to the amount of \$ \_\_\_\_\_ for each year, or fraction thereof, that this agreement remains in effect.

All obligations under this agreement shall commence when the agreement is signed by the Principal and Surety and shall cease at midnight on December 31, 20\_\_\_\_\_, except as to any liability that has accrued to that time.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_,  
 County of \_\_\_\_\_ and State of \_\_\_\_\_.

\_\_\_\_\_  
 WITNESS PRINCIPAL (SEAL)

By: \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, at \_\_\_\_\_,  
 County of \_\_\_\_\_

\_\_\_\_\_  
 WITNESS SURETY

By: \_\_\_\_\_  
 ATTORNEY-IN-FACT (SEAL)

## **BOND REQUIREMENTS**

Diesel Distributors are required to submit a surety bond with their Diesel Distributor License Application when their yearly tax liability exceeds \$5,000.00. New Diesel Distributors will be required to submit a surety bond of \$1,000.00 with their original application. The bond MUST contain the raised corporate seal and all signatures applicable. Erasures on the bond are not allowed; it will automatically void the bond.

The amount of the surety bond will be reviewed annually. The bond amount will be determined by using the total of the two highest months of liability in the preceding year, but in no case shall it exceed \$400,000.00. The amount of the bond shall be increased whenever the Commissioner deems it necessary to protect the revenues of the state.

If required, Diesel Distributors must submit a current bond application on an annual basis. In lieu of a bond, Letters of Credit will be accepted and must be accompanied with a current financial statement.