

Real Estate Agent Listing a Property with Propane Service - FAQ

Q: Who owns the propane tank located on the property?

A: Typically, propane tanks are owned by the propane dealer supplying the propane and leased to the property owner. Ownership can be established by the propane dealer if they provide a signed lease agreement with the current property owner. These are called “leased tanks”.

Occasionally, propane tanks are owned by the property owner. Ownership can be established by the current property owner if they provide a bill of sale (or other legal documents) for the tank. These are called “Customer Owned Tanks”

Q. Can the seller include the propane tank in the sale of the property?

A: **Leased Tank:** NO, if the propane tank is leased from a propane dealer, it cannot be included in the sale of the property.

Customer Owned Tank: YES, If the propane tank is owned by the seller, and verification can be provided, it can be included in the sale of the property.

Q. Can the seller include the propane remaining in the tank in the sale of the property?

A: **Leased Tank Fuel:** YES, the seller may include the remaining propane in the tank in the sale of the property.

The seller would need to notify their propane dealer in writing that they are terminating service with them and will be transferring ownership of the remaining propane in the tank to the new property owner.

Customer Owned Tank Fuel: YES, the seller may include the remaining propane in the tank in the sale of the property.

Buying a Property with Propane Service - FAQ

Q: Who owns the propane tank located on the property?

A: Typically, propane tanks are owned by the propane dealer supplying the propane and leased to the property owner. In this situation the owner of the tank is the propane dealer and you will need to contact them to establish service, or request in writing for the tank to be removed. These are called “leased tanks”.

Occasionally, propane tanks are owned by the property owner. In this situation the previous property owner would need to transfer the ownership of the tank to you during the property selling process or remove the tank when they vacate the property. These are called “Customer Owned Tanks”.

Q: The previous owner leased the propane tank from Dealer “A”, but I want to purchase propane from Dealer “B”. Can I switch propane dealers?

A: YES, contact any licensed propane dealer and request to establish service with them, they will either sell or lease you a propane tank. Once service is established, you will need to notify the previous propane dealer in writing to remove their propane tank. Once notified they will have thirty days to remove their tank from your property.

Q: The property sale included a customer owned tank. The previous owner was purchasing propane from Dealer “A”, but I want to purchase propane from Dealer “B”. Can I switch dealers?

A: YES, if you own the propane tank you can purchase propane from any licensed dealer you desire.

Please Note: Some propane dealers may require a safety inspection of your system before they will sell you propane and they may charge for this service.

Q: The previous owner leased a tank from Dealer “A”, but I want to lease a tank from Dealer “B”. Am I entitled to receive a refund for the value of the propane remaining in Dealer “A”s tank when the property sale is final?

A: NO, the previous owner is entitled to a refund for any fuel remaining in Dealer A’s tank.

Q: The previous owner stated in the sales document that the propane remaining in Dealer “A”’s leased tank would transfer to me at the close of escrow. Prior to occupying the property, I decided to switch to Dealer “B”. Is Dealer “A” required to refund me the value of the remaining propane in their tank?

A: NO, the previous owner purchased that propane and they are entitled to the refund from Dealer A. Because they transferred ownership of the propane to you in the sales agreement they would need to return the refunded money they received to you.

Please Note: The LP-Gas Board does not have legal jurisdiction to require the previous owner to return the refunded monies to you. You will need to contact your real estate agent and/or attorney for assistance.

Q: When the sale is final can I utilize the propane in the tank without notifying the supplier?

A: **Leased Tank:** NO, you are obligated to call and establish your own account with the supplier, or switch suppliers, prior to occupying the property.

Customer Owned Tank: YES, but it is advised to choose a propane dealer and establish an account prior to running out of propane.

Q: Is a propane dealer obligated to provide service to me once the property sale is final?

A: **Leased Tank:** No, the propane dealer is under no obligation to supply propane to you. If the dealer chooses to remove their tank they must provide you a 48 hour disconnect notice prior to removing the tank. You do have the right to contact any licensed propane dealer and request service.

Customer Owned Tank: No, the propane dealer is under no obligation to supply propane to you. You do have the right to contact any licensed propane dealer and request service.

Selling a Property with Propane Service - FAQ

Q. Can I include the propane tank in the sale of the property?

A: MAYBE, if the propane tank is owned by the propane dealer supplying the propane and leased to you, the ownership of the tank is retained by the propane dealer and you cannot include the propane tank in the sale of the property. These are called “leased tanks”.

If you own the propane tank, and can legally prove it, you can include the propane tank in the sale of the property. These are called “Customer Owned Tanks”.

Q. Can the propane remaining in a leased tank be included in the sale of the property?

A: YES, you will need to notify your propane dealer in writing that you are terminating service with them and will be transferring ownership of the remaining propane in the tank to the new property owner. The buyer will need to establish service with the propane dealer prior to taking possession of the property

Q. Can I get a refund for propane left in the tank?

A: **Leased Tank:** YES, you are required to notify your propane dealer in writing that you are terminating service. Your propane dealer then has 30 days to either remove your tank or secure it in place. Once it is removed, or secured, they have 15 days to mail you a refund for the propane remaining in the tank at the price you paid for it. They are not allowed to charge you any fees for the termination of service or removal of the propane or tank.

Customer Owned Tank: NO, the propane dealer is not required to refund you for the propane remaining in the tank when you terminate service.

Q. Can I get a refund for the unused tank rent on my leased tank?

A: YES, you are required to notify your propane dealer in writing that you are terminating service. Your propane dealer then has 30 days to either remove your tank or secure it in place. Once it is removed, or secured, they have 15 days to mail you a refund for the unused portion of your tank rent paid prorated to the nearest month. They are not allowed to charge you any fees for the termination of service or removal of the propane or tank.

Renting a Property with Propane Service - FAQ

Q. If I am not happy with my current propane dealer can I switch to another licensed dealer?

A: MAYBE, if you receive permission from the landlord, you may change suppliers. If the landlord has a requirement in your rental agreement for which propane dealer services his property, you will not be able to change.

Q. When I move in, and there is propane in the tank, am I entitled to a refund if I change propane dealers?

A: NO, the previous tenant, or the landlord, is entitled to a refund for the fuel left in the tank when you moved in because they paid for it.

Q. If my landlord bills me for the propane I used each month, and there is propane left in the tank when I move, am I entitled to a refund?

A: NO, if you are charged monthly for the propane that you have used, then you would still be responsible to pay for any fuel used in that month prior to you moving out. Any fuel remaining in the tank would belong to the landlord

General Information

The Board for the Regulation of Liquefied Petroleum Gas (LP-Gas Board) was established in 1953 by the Nevada Legislature to adopt and enforce regulations that are reasonably necessary to protect the health, welfare and safety of the public and persons using liquefied petroleum gases. The statutes and regulations the Board follows are NRS 590.465 to NRS 590.645 and NAC 590.100 to NAC 590.690.

For more information you may want to visit the Board's website regarding consumers rights and the Board's role in protecting those rights at: www.nvlpgasboard.com