

Department of the Treasury  
Internal Revenue Service

▶ See the Instructions on page 3.  
▶ Attach this form to your income tax return.

Name (as shown on your income tax return)

Taxpayer identification number

**Caution:** • Claims for diesel fuel and kerosene (other than kerosene used in aviation) used on a farm for farming purposes on new lines 3e and 4c are made only by the ultimate purchaser after September 30, 2005.  
• Claims on lines 5 and 8 for aviation-grade kerosene can be made only for uses or sales before October 1, 2005. See line 14 and the worksheets in the instructions for claims for kerosene used in aviation after September 30, 2005.  
• There are two credit rates in effect for most fuels during 2005. The \* rate is applicable after Sept. 30, 2005.

**1 Nontaxable Use of Gasoline**

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Off-highway business use of gasoline	\$.184/.183*	}	\$	362
b	Use of gasoline on a farm for farming purposes	.184/.183*			
c	Other nontaxable use of gasoline	.184/.183*			

**2 Nontaxable Use of Aviation Gasoline**

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	\$.15		\$	354
b	Other nontaxable use	.194/.193*			324

**3 Nontaxable Use of Undyed Diesel Fuel**

Claimant certifies that the diesel fuel did not contain visible evidence of dye.

**Exception.** If any of the diesel fuel included in this claim **did** contain visible evidence of dye, attach an explanation; check here . ▶

**Caution:** Claims for diesel fuel used on a farm for farming purposes are made only by the ultimate purchaser on line 3e after September 30, 2005.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	\$.244/.243*		\$	360
b	Use in trains, January 1, 2005 – June 30, 2005	.21	}		353
c	Use in trains, July 1, 2005 – December 31, 2005	.22			
d	Use in certain intercity and local buses	.17			350
e	Use on a farm for farming purposes after Sept. 30, 2005	.243			360

**4 Nontaxable Use of Undyed Kerosene (Other Than Aviation-Grade Kerosene and Kerosene Used in Aviation)**

Claimant certifies that the kerosene did not contain visible evidence of dye.

**Exception.** If any of the kerosene included in this claim **did** contain visible evidence of dye, attach an explanation; check here . ▶

**Caution:** Claims for kerosene used on a farm for farming purposes are made only by the ultimate purchaser on line 4c after September 30, 2005. See the instructions for an exception for kerosene used in aviation.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Nontaxable use	\$.244/.243*		\$	346
b	Use in certain intercity and local buses	.17			350
c	Use on a farm for farming purposes after Sept. 30, 2005	.243			346

**5 Nontaxable Use of Aviation-Grade Kerosene Before Oct. 1, 2005**

Claimant certifies that the aviation-grade kerosene did not contain visible evidence of dye.

**Exception.** If any of the aviation-grade kerosene included in this claim **did** contain visible evidence of dye, attach a detailed explanation and check here . . . . . ▶

**Caution:** Line 5 applies to claims for aviation-grade kerosene before October 1, 2005. See line 14 and the worksheets in the instructions for kerosene used in aviation after September 30, 2005.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	\$.175		\$	355
b	Other nontaxable use	.219			369
c	Use in foreign trade	.044			377

**6 Sales by Registered Ultimate Vendors of Undyed Diesel Fuel Registration No. ▶**

Claimant certifies that it sold the diesel fuel at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained written consent of the buyer to make the claim. Claimant certifies that the diesel fuel did not contain visible evidence of dye.

**Exception.** If any of the diesel fuel included in this claim **did** contain visible evidence of dye, attach an explanation and check here . . . ▶

**Caution:** Registered ultimate vendors cannot make claims for diesel fuel sold for use on a farm for farming purposes after Sept. 30, 2005.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use on a farm for farming purposes before Oct. 1, 2005	\$.244	}	\$	360
b	Use by a state or local government	.244/.243*			
c	Use in certain intercity and local buses	.17			350

**7 Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Aviation-Grade Kerosene and Kerosene Used in Aviation) Registration No. ►**

Claimant certifies that it sold the kerosene at a tax-excluded price, repaid the amount of tax to the buyer, or has obtained the written consent of the buyer to make the claim. Claimant certifies that the kerosene did not contain visible evidence of dye.

**Exception.** If any of the kerosene included in this claim **did** contain visible evidence of dye, attach an explanation and check here . . . ►

**Caution:** Registered ultimate vendors cannot make claims for kerosene sold for use on a farm for farming purposes after September 30, 2005.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use on a farm for farming purposes before Oct. 1, 2005	\$.244		\$	346
b	Use by a state or local government	.244/.243*			
c	Sales from a blocked pump	.244/.243*			
d	Use in certain intercity and local buses	.17			350

**8 Sales by Registered Ultimate Vendors of Aviation-Grade Kerosene before Oct. 1, 2005 Reg. No. ►**

Claimant sold the aviation-grade kerosene at a tax-excluded price and has not collected the amount of tax from the buyer, repaid the amount of tax to the buyer, or has obtained written consent of the buyer to make the claim.

**Caution:** Line 8 applies to claims for aviation-grade kerosene before October 1, 2005. See line 14 and the worksheets in the instructions for sales of kerosene for use in aviation after September 30, 2005.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	\$.175		\$	355
b	Other nontaxable use	.219			
c	Use on a farm for farming purposes	.219			369
d	Use by a state or local government	.219			

**9 Sales by Registered Ultimate Vendors of Gasoline Registration No. ►**

Claimant sold the gasoline at a tax-excluded price and has not collected the amount of tax from the buyer, repaid the amount of tax to the buyer, or has obtained written consent of the buyer to make the claim; and obtained an unexpired certificate from the buyer and has no reason to believe any information in the certificate is false. See the instructions for additional information to be submitted.

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use by a nonprofit educational organization	\$.184/.183*	\$	362
b	Use by a state or local government	.184/.183*		

**10 Sales by Registered Ultimate Vendors of Aviation Gasoline Registration No. ►**

Claimant sold the aviation gasoline at a tax-excluded price and has not collected the amount of tax from the buyer, repaid the amount of tax to the buyer, or has obtained written consent of the buyer to make the claim; and obtained an unexpired certificate from the buyer and has no reason to believe any information in the certificate is false. See the instructions for additional information to be submitted.

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use by a nonprofit educational organization	\$.194/.193*	\$	324
b	Use by a state or local government	.194/.193*		

**11 Nontaxable Use of Liquefied Petroleum Gas (LPG)**

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Use in certain intercity and local buses	\$.062		\$	352
b	Use in qualified local buses or school buses	.136			361
c	Other nontaxable use	.136			395

**12 Alcohol Fuel Mixture Credit Registration No. ►**

Claimant produced an alcohol fuel mixture by mixing taxable fuel with alcohol. The alcohol fuel mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant.

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Alcohol fuel mixtures containing ethanol	\$.51	\$	393
b	Alcohol fuel mixtures containing alcohol (other than ethanol)	.60		

**13 Biodiesel Mixture Credit Registration No. ►**

Claimant produced a biodiesel mixture by mixing diesel fuel with biodiesel. The biodiesel mixture was sold by the claimant to any person for use as fuel or was used as a fuel by the claimant. Claimant has a certificate from the producer or importer of the biodiesel which identifies the percentage of biodiesel and agri-biodiesel in the product, and has no reason to believe the information is false. See the instructions for line 13 to see if you must attach the certificate.

	(b) Rate	(c) Gallons	(d) Amount of credit	(e) CRN
a	Biodiesel (other than agri-biodiesel) mixtures	\$.50	\$	388
b	Agri-biodiesel mixtures	1.00		

**14 Kerosene For Use in Aviation After September 30, 2005.** See the instructions for worksheets to figure the amount of credit.

	(d) Amount of credit	(e) CRN
a	Use in commercial aviation (other than foreign trade)	355
b	Sales by registered ultimate vendors	369

<b>15 Total income tax credit claimed.</b> Add lines 1 through 14, column (d). Enter here and on Form 1040, line 70 (also check box b on line 70); Form 1120, line 32f(2); Form 1120-A, line 28f(2); Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns. ►	<b>15</b>	\$	
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## Instructions for Form 4136

Section references are to the Internal Revenue Code.

### What's New

- The reduced rates of excise tax for most alcohol-blended fuels have been eliminated and the lines for any credits have been removed.
- The following new credits have been added:
  - a. Sales by registered ultimate vendors of aviation-grade kerosene (line 8) before October 1, 2005;
  - b. Sales by registered ultimate vendors of gasoline (line 9) and aviation gasoline (line 10) sold to state and local governments and nonprofit educational organizations;
  - c. Sales by registered ultimate vendors of undyed diesel fuel (line 3d) or undyed kerosene (line 4b) sold for use by intercity and local buses, if the ultimate purchaser waives its right to the claim;
  - d. Alcohol fuel mixtures (line 12) and biodiesel mixtures (line 13); and
  - e. Kerosene for use in aviation after September 30, 2005 (line 14).
- Fuel used in mobile machinery in an off-highway business use is limited to an annual claim on Form 4136 for taxable years beginning after October 22, 2004.
- Effective after September 30, 2005, the ultimate vendor can no longer make claims for undyed diesel fuel (line 6a) and undyed kerosene (line 7a) used on a farm for farming purposes. Claims can be made only by the ultimate purchaser (the farmer), using lines 3e and 4c. However, claims for kerosene used in aviation on a farm for farming purposes must be claimed by the ultimate vendor on line 14b.
- Effective after September 30, 2005, claims cannot be made for the LUST tax, except for fuel destined for export. The affected credit rates have been reduced by \$.001 to reflect this change. Two rates are shown on various lines of Form 4136, the \* rate is effective after September 30, 2005.
- Aviation-grade kerosene is eliminated as a type of fuel effective after September 30, 2005. Lines 5 and 8 are not applicable after this date. All ultimate purchaser claims for kerosene used in domestic commercial aviation and all registered ultimate vendor claims for kerosene used in noncommercial aviation and foreign trade after September 30, 2005, will be made on line 14. Type of use 11 is not valid after September 30, 2005.
- Type of use 13 has been added to the type of use table, exclusive use by a nonprofit educational organization.
- Type of use 14 has been added to the type of use table, exclusive use by a state, a political subdivision of a state, or the District of Columbia.

### Purpose of Form

Use Form 4136 to claim a credit for certain nontaxable uses (or sales) of fuel during the income tax year. Also use Form 4136 if you are a producer claiming a credit for alcohol fuel mixtures or biodiesel mixtures. However, you may use Form 8849, Claim for Refund of Excise Taxes, to claim a periodic refund instead of waiting to claim an annual credit on Form 4136.

**Caution:** You cannot claim any amounts on Form 4136 that you claimed on Form 8849 or Schedule C (Form 720).

**Partnerships.** Partnerships (other than electing large partnerships) cannot file this form. Instead, they must include a statement on Schedule K-1 (Form 1065), Partner's Share of

Income, Deductions, Credits, etc., showing the allocation to each partner specifying the number of gallons of each fuel used during the tax year, the applicable credit per gallon, the nontaxable use or sale, and any additional information required to be submitted.

### Additional Information

- Publication 378, Fuel Tax Credits and Refunds, has more information on nontaxable uses and the definitions of terms such as ultimate vendor and blocked pump.
- Publication 225, Farmer's Tax Guide, also includes information on credits for the federal excise tax on fuels.
- Notice 2005-4. You can find Notice 2005-4 on page 289 of Internal Revenue Bulletin 2005-2 at [www.irs.gov/pub/irs-irbs/irb05-02.pdf](http://www.irs.gov/pub/irs-irbs/irb05-02.pdf).
- Notice 2005-24. You can find Notice 2005-24 on page 757 of Internal Revenue Bulletin 2005-12 at [www.irs.gov/pub/irs-irbs/irb05-12.pdf](http://www.irs.gov/pub/irs-irbs/irb05-12.pdf).
- Notice 2005-62. You can find Notice 2005-62 on page 443 of Internal Revenue Bulletin 2005-35 at [www.irs.gov/pub/irs-irbs/irb05-35.pdf](http://www.irs.gov/pub/irs-irbs/irb05-35.pdf).
- Notice 2005-80. You can find Notice 2005-80 in Internal Revenue Bulletin 2005-46 at [www.irs.gov/pub/irs-irbs/irb05-46.pdf](http://www.irs.gov/pub/irs-irbs/irb05-46.pdf).

### Recordkeeping

You must keep records to support any credits claimed on this return for at least 3 years from the date the return is due or filed, whichever is later.

### Including the Fuel Tax Credit in Income

You must include in your gross income the amount of the credit from line 15 if you took a deduction on your tax return that included the amount of the taxes and that deduction reduced your income tax liability. See Pub. 378 for more information.

### Specific Instructions

Complete all information requested for each claim you make. You must enter the number (when requested) from the *Type of Use Table*, the number of gallons, and the amount of credit. If you need more space for any line (for example, for more types of use), prepare a separate sheet using the same format as the line.

Attach separate sheets showing any additional information required for your claim such as the computation of the amount to be credited. Be sure to write your name and taxpayer identification number (TIN) on each sheet.

**Amount of credit.** For lines 1 through 14, multiply the rate by the number of gallons. For lines 12 and 13, enter the number of gallons of alcohol or biodiesel. Enter the result (or the combined result as indicated by the brackets) in the amount of credit column. Include amounts from any separate sheets.

### Annual Claims

If a claim was not made for any gallons during the income tax year on Form 8849 or Form 720, an annual claim may be made. Generally, an annual claim is made on Form 4136 for the income tax year during which the fuel was used by the ultimate purchaser, sold by the registered ultimate vendor, used to produce an alcohol fuel mixture or biodiesel mixture, or used in mobile machinery.

## Claims for Fuel Destined for Export Including the LUST Tax

Effective after September 30, 2005, claims cannot be made for the LUST tax, except for fuel destined for export. The affected credit rates have been reduced by \$.001 to reflect this change. Two rates are shown on various lines of Form 4136 with the \* rate effective after September 30, 2005. Taxpayers claiming the rate including the LUST tax for fuel destined for export must attach a statement to Form 4136. The statement should include the type of fuel, credit rate, number of gallons, total credit, and proof of export. Include any claims for fuel destined for export on the applicable line of Form 4136.

## Type of Use Table

The following table lists the nontaxable uses of fuels. You must enter the number from the table in the *Type of Use* column on Form 4136.

No.	Type of Use
1	On a farm for farming purposes
2	Off-highway business use (for business use other than in a highway vehicle registered or required to be registered for highway use)
3	Export
4	In a boat engaged in commercial fishing
5	In certain intercity and local buses
6	For diesel fuel or kerosene in a qualified local bus
7	In a bus transporting students and employees of schools (school buses)
8	For diesel fuel and kerosene used other than as a fuel in the propulsion engine of a train or diesel-powered highway vehicle (but not off-highway business use)
9	In foreign trade
10	Certain helicopter and fixed-wing air ambulance uses
11	For aviation-grade kerosene used other than as a fuel in the propulsion engine of an aircraft. Not valid as a type of use after September 30, 2005
12	Not applicable
13	Exclusive use by a nonprofit educational organization
14	Exclusive use by a state, a political subdivision of a state, or the District of Columbia

### Line 1. Nontaxable Use of Gasoline

**Claimant.** The ultimate purchaser of the gasoline is the only person eligible to make this claim.

**Allowable uses.** A claim cannot be made for personal use of any fuel on line 1. Also, for lines 1a and 1c, a claim cannot be made for any use in a motorboat, other than commercial fishing.

For line 1a, the gasoline must have been used during the income tax year for a business use other than in a highway vehicle registered (or required to be registered) for highway use (Type of use 2).

For line 1b, the gasoline must have been used during the income tax year on a farm for farming purposes (Type of use 1).

For line 1c, the gasoline must have been used during the income tax year for type of use 3, 4, 5, 7, 13, or 14. For type of use 13 or 14, claimant has not waived the right to make a claim.

### Line 2. Nontaxable Use of Aviation Gasoline

**Claimant:** The ultimate purchaser of the aviation gasoline is the only person eligible to make this claim.

**Allowable uses.** For line 2b, the aviation gasoline must have been used during the period of claim for type of use 1, 3, 9, 10, 13, or 14. For type of use 13 or 14, claimant has not waived the right to make a claim.

### Line 3. Nontaxable Use of Undyed Diesel Fuel

**Caution:** Claims for undyed diesel fuel sold for use on a farm for farming purposes after September 30, 2005 are made only by the ultimate purchaser on line 3e. Line 3 cannot be used to make a claim for diesel fuel used exclusively by a state or local government. See line 6.

**Claimant:** The ultimate purchaser of the diesel fuel is the only person eligible to make this claim.

**Allowable uses.** For line 3a, the diesel fuel must have been used during the period of claim for type of use 2, 3, 6, 7, 8, or 13. For line 3e, see caution above. For line 3d, the claimant has not waived the right to make a claim. Type of use 8 includes use as heating oil and use in a motorboat.

### Line 4. Nontaxable Use of Undyed Kerosene (Other Than Aviation-Grade Kerosene and Kerosene Used in Aviation)

**Caution:** Claims for undyed kerosene sold for use on a farm for farming purposes after September 30, 2005 are made only by the ultimate purchaser on line 4c. Line 4 cannot be used to make a claim for kerosene used exclusively by a state or local government or for kerosene sold from a blocked pump. See line 7.

**Claimant:** The ultimate purchaser of the kerosene is the only person eligible to make this claim.

**Allowable uses.** For line 4a, the kerosene must have been used during the income tax year for type of use 2, 3, 6, 7, 8, or 13. For line 4c, see caution above. Line 4c does not include claims for kerosene used in aviation for farming purposes; instead, see line 14b. For line 4b, the claimant has not waived the right to make a claim. Type of use 8 includes use as heating oil and use in a motorboat.



You may claim a credit for the tax on undyed kerosene you purchased (other than from a blocked pump) and used in your home during 2005 for heating, lighting, or cooking.

To claim the credit on line 4a for home use:

1. Enter **8** in col. **(a)**.
2. Enter the number of gallons of kerosene in col. **(c)**.
3. Multiply the gallons in col. **(c)** by \$.244 (\$.243 for gallons after Sept. 30, 2005). Enter the result in col. **(d)**.
4. If this is the only fuel tax credit you are claiming, enter the amount from col. **(d)** on:
  - a. Line 15 of Form 4136, and
  - b. Line 70 of Form 1040. Also, check box b on line 70.

### Line 5. Nontaxable Use of Aviation-Grade Kerosene, Before Oct. 1, 2005

**Caution:** Line 5 cannot be used to make a claim for aviation-grade kerosene used on a farm for farming purposes or for exclusive use by a state or local government. Line 5 applies to claims for aviation-grade kerosene before October 1, 2005. See the line 14 instructions for kerosene used in aviation after September 30, 2005.

**Claimant:** The ultimate purchaser of the aviation-grade kerosene is the only person eligible to make this claim.

**Allowable uses.** For line 5b (other nontaxable use) the aviation-grade kerosene must have been used during the income tax year for type of use 3, 9, 10, 11, or 13. For line 5, the claimant has not waived the right to make a claim.

### Information for Claims on Lines 6-10

**Registration number.** To make an ultimate vendor claim on lines 6-10, you are required to have a registration number. Enter your registration number, including the prefix, on the applicable line for your claim. If you do not have a registration number, you cannot make a claim at this time. Use Form 637, Application for Registration (For Certain Excise Tax Activities), to apply for one.

**Required certificate or waiver.** The certificate for undyed diesel fuel or undyed kerosene must contain all the information as shown in the Model Certificate in Regulations section 48.6427-9(e)(2).

Model certificates or waivers for sales of undyed diesel fuel or undyed kerosene for use in certain intercity and local buses, aviation-grade kerosene, gasoline, and aviation gasoline can be found in Notice 2005-4 and Notice 2005-24.

#### **Line 6. Sales by Registered Ultimate Vendors of Undyed Diesel Fuel**

**Caution:** *Registered ultimate vendors cannot make claims for diesel fuel sold for use on a farm for farming purposes after September 30, 2005.*

**Claimant:** For lines 6a (before October 1, 2005) and 6b, the registered ultimate vendor of the diesel fuel is the only person eligible to make this claim and has obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. For line 6c, the registered ultimate vendor of the diesel fuel is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. Only one claim may be filed with respect to any gallon of diesel fuel. Enter your UV registration number for line 6a or 6b. Enter your UB registration number for line 6c.

**Information to be submitted.** For claims on lines 6a and 6b, attach a separate sheet with the name and TIN of each farmer, custom harvester, or governmental unit to whom the diesel fuel was sold and the number of gallons sold to each.

#### **Line 7. Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Aviation-Grade Kerosene and Kerosene Used in Aviation)**

**Caution:** *Registered ultimate vendors cannot make claims for kerosene sold for use on a farm for farming purposes after September 30, 2005.*

**Claimant:** For lines 7a (before October 1, 2005), 7b, and 7c, the registered ultimate vendor of the kerosene is the only person eligible to make this claim. For lines 7a and 7b, claimant has obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. For line 7c, claimant has a statement, if required, that contains: the date of sale, name and address of the buyer, and the number of gallons of kerosene sold to the buyer. For line 7d, the registered ultimate vendor of the kerosene is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. Only one claim may be filed with respect to any gallon of kerosene. Enter your UV registration number for line 7a or 7b. Enter your UP registration number for line 7c. Enter your UB registration number for line 7d.

**Exception.** For the period October 1, 2005 – December 31, 2005, claims for kerosene used in aviation by a state or local government are made using line 14b.

**Information to be submitted.** For claims on lines 7a and 7b, attach a separate sheet with the name and TIN of each farmer, custom harvester, or governmental unit to whom the kerosene was sold and the number of gallons sold to each.

#### **Line 8. Sales by Registered Ultimate Vendors of Aviation-Grade Kerosene**

**Caution:** *Line 8 applies to claims for aviation-grade kerosene before October 1, 2005. See the line 14 instructions for kerosene used in aviation after September 30, 2005.*

**Claimant.** For lines 8a and 8b, the registered ultimate vendor of the aviation-grade kerosene is eligible to make this claim only if the buyer waives his or her right by providing the

registered ultimate vendor with an unexpired waiver. For lines 8c and 8d, the registered ultimate vendor of the aviation-grade kerosene is the only person eligible to make this claim and has obtained the required certificate from the buyer and has no reason to believe any information in the certificate is false. Only one claim may be filed with respect to any gallon of aviation-grade kerosene. Enter your UA registration number for lines 8a and 8b. Enter your UV registration number for lines 8c and 8d.

**Allowable sales.** For line 8b, the aviation-grade kerosene must have been sold during the income tax year for type of use 3, 9, 10, or 13.

**Information to be submitted.** For claims on lines 8c and 8d, attach a separate sheet with the name and TIN of each farmer, custom harvester, or governmental unit to whom the aviation-grade kerosene was sold and the number of gallons sold to each.

#### **Line 9. Sales by Registered Ultimate Vendors of Gasoline**

**Claimant.** The registered ultimate vendor of the gasoline is eligible to make a claim on lines 9a and 9b if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired certificate. Only one claim may be filed with respect to any gallon of gasoline.

**Registration number.** Enter your UV registration number for line 9a or 9b.

**Information to be submitted.** For claims on lines 9a and 9b, attach a separate sheet with the name and TIN of each nonprofit educational organization or governmental unit to whom the gasoline was sold and the number of gallons sold to each.

#### **Line 10. Sales by Registered Ultimate Vendors of Aviation Gasoline**

**Claimant.** The registered ultimate vendor of the aviation gasoline is eligible to make a claim on lines 10a and 10b if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired certificate. Only one claim may be filed with respect to any gallon of aviation gasoline.

**Registration number.** Enter your UV registration number for line 10a or 10b.

**Information to be submitted.** For claims on lines 10a and 10b, attach a separate sheet with the name and TIN of each nonprofit educational organization or governmental unit to whom the aviation gasoline was sold and the number of gallons sold to each.

#### **Line 11. Nontaxable Use of Liquefied Petroleum Gas (LPG)**

**Allowable uses.** For line 11(c), the taxed LPG must have been used during the income tax year for type of use 1, 2, 4, 13, or 14.

#### **Information for Claims on Lines 12 and 13**

If you make a claim for alcohol or biodiesel used to produce an alcohol fuel mixture or a biodiesel mixture, a claim on Form 4136 can only be made for the amount that exceeds your taxable fuel liability reported on Form 720 for any particular quarter. See Notice 2005-4 and Notice 2005-62 for more information.

#### **Line 12. Alcohol Fuel Mixture Credit**

**Claimant.** The person that produced and sold or used the mixture is the only person eligible to make this claim. The credit is based on the gallons of alcohol in the mixture.

**Line 13. Biodiesel Mixture Credit**

**Claimant.** The person that produced and sold or used the mixture is the only person eligible to make this claim. The credit is based on the gallons of biodiesel in the mixture.

**Certificate.** For biodiesel sold or used after August 29, 2005, you may have to attach the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller, to the Form 4136. See Notice 2005-62 for more information.

**Line 14. Kerosene For Use in Aviation, After September 30, 2005**

**Caution:** Line 14 applies to claims for kerosene used in aviation after September 30, 2005. See lines 5 and 8 for aviation-grade kerosene claims before October 1, 2005.

**Note.** First compute the credit by using the lines below, then enter the amount of the credit on Form 4136, line 14a or 14b. Keep the worksheet for your records.

**Line 14a. Used in commercial aviation (other than foreign trade)**

**Claimant:** The ultimate purchaser of the kerosene used in commercial aviation (other than foreign trade) is eligible to make this claim. For lines 1 and 2 below, claimant certifies the right to make the claim has not been waived. For line 2 below, claimant may purchase kerosene partly for use in domestic commercial aviation and partly for use in noncommercial aviation. If the claimant does not identify the amount of kerosene that will be used in commercial aviation, the claimant may provide a certificate to the ultimate vendor with the "for a nonexempt use in noncommercial aviation" line checked. The operator can make a claim for \$.175 per gallon for the kerosene used in domestic commercial aviation. The ultimate vendor can make a claim for \$.025 per gallon using line 14b below. See Notice 2005-80 for a model certificate.

	(b) Rate	(c) Gallons	(d) Amount of credit
<b>1</b> Kerosene taxed at \$.244	\$.200		\$
<b>2</b> Kerosene taxed at \$.219	.175		
<b>Total.</b> Enter the amount of the credit here and on line 14a of Form 4136 ►			

**Line 14b. Sales by registered ultimate vendors**

**Claimant.** For lines 1 and 2 below, the registered ultimate vendor of the kerosene for use in aviation is eligible to make this claim only if the buyer waives his or her right by providing the registered ultimate vendor with an unexpired certificate. For lines 3, 4, and 5 below, the registered ultimate vendor of the kerosene for use in aviation is the only person eligible to make this claim and has obtained the required

certificate from the ultimate purchaser. For types of use 1, 9, 10, or 13, see Notice 2005-80 for a model certificate. For type of use 14, see Model Certificate B in Pub. 378 or Model Certificate P in Pub. 510. Write your UA registration number in the blank space on line 14b.

**Allowable sales.** For lines 4 and 5, the kerosene for use in aviation must have been sold during the income tax year for type of use 1, 9, 10, 13, or 14.

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of credit
<b>1</b> Use in commercial aviation (other than foreign trade) taxed at \$.219		\$.175		\$
<b>2</b> Use in commercial aviation (other than foreign trade) taxed at \$.244		.200		
<b>3</b> Nonexempt use in noncommercial aviation		.025		
<b>4</b> Other nontaxable uses taxed at \$.244		.243		
<b>5</b> Other nontaxable uses taxed at \$.219		.218		
<b>Total.</b> Enter the amount of the credit here and on line 14b of Form 4136 ►				

**Paperwork Reduction Act Notice.** We ask for the information on Form 4136 to carry out the Internal Revenue laws of the United States. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the instructions for Form 1040. The estimated burden for all other taxpayers is shown below.

**Recordkeeping, 19 hr., 46 min.; Learning about the law or the form, 6 min.; Preparing and sending the form to the IRS, 20 min.**

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4136 simpler, we would be happy to hear from you. You can write to the Internal Revenue Service at the address listed in the instructions of the tax return with which Form 4136 is filed.



## General Instructions

Section references are to the Internal Revenue Code.

### What's New

- Schedules 1 and 3 have been revised to reflect that the reduced rate of excise tax for most alcohol-blended fuels has been eliminated.
- Schedule 3 is re-titled Alcohol Fuel Mixtures and Biodiesel Mixtures to reflect the new claims for refund related to alcohol fuel mixtures and biodiesel mixtures. However, special rules apply. See the *Caution* at the top of Schedule 3.
- Schedule 2 is re-titled Sales by Registered Ultimate Vendors to accommodate new claims for refund by registered ultimate vendors of aviation-grade kerosene and registered ultimate vendors of gasoline and aviation gasoline sold to states and local governments and nonprofit educational organizations.
- Schedule 2 reflects that registered ultimate vendors of undyed diesel fuel and undyed kerosene sold for use by intercity and local buses may make a claim for refund if the ultimate purchaser waives its right to the claim.
- Schedule 4, Gasoline Wholesale Distributors, has been eliminated.
- Fuels used in mobile machinery in an off-highway business use is limited to an annual claim for taxable years beginning after October 22, 2004. See *Annual Claims* on page 3.

### Additional Information

You may find the following publications helpful when preparing Form 8849. The publications have definitions of terms used in the instructions.

- **Pub. 510**, Excise Taxes for 2005, has more information on excise taxes.
- **Pub. 378**, Fuel Tax Credits and Refunds, has more information on nontaxable uses.

You may also call the business and specialty tax line at 1-800-829-4933 with your excise tax questions.

### Purpose of Form

Use Schedules 1, 2, 3, and 5 to claim certain fuel related refunds such as nontaxable uses (or sales) of fuels. Form 8849 lists the schedules by number and title.

Use Schedule 6 for claims not reportable on Schedules 1, 2, 3, and 5, including refunds of excise taxes reported on:

- **Form 720**, Quarterly Federal Excise Tax Return;
- **Form 730**, Monthly Tax Return for Wagers;
- **Form 11-C**, Occupational Tax and Registration Return for Wagering; or
- **Form 2290**, Heavy Highway Vehicle Use Tax Return.

Filers only need to complete and attach to Form 8849 the applicable schedules.

**Do not** use Form 8849:

- To make adjustments to liability reported on Forms 720 filed for prior quarters. Use Form 720X.
- To claim amounts that you took or will take as a credit on Schedule C (Form 720), Form 4136, Form 2290, or Form 730.

### How To Fill In Form 8849

#### Name and Address

Print the information in the spaces provided. Begin printing in the first box on the left. Leave a blank box between each name and word. If there are not enough boxes, print as many letters as there are boxes. Use hyphens for compound names; use one box for each hyphen.

**P.O. box.** If your post office does not deliver mail to your street address and you have a P.O. box, show your box number instead of your street address.

**Foreign address.** Enter the information in the following order: city, state or province, and the name of the country. Follow the country's practice for entering the postal code. Do not abbreviate the country's name.

#### Taxpayer Identification Number (TIN)

Enter your employer identification number (EIN) in the boxes provided. If you are not required to have an EIN, enter your social security number (SSN). An incorrect or missing number will delay processing your claim.

#### Month Income Tax Year Ends

Enter the month your income tax year ends. For example, if your income tax year ends in December, enter "12" in the boxes. If your year ends in March, enter "03".

#### Signature

Form 8849 must be signed by a person with authority to sign this form for the claimant.

#### Where To File

- For Schedules 1 and 6, mail Form 8849 to:  
Internal Revenue Service  
Cincinnati, OH 45999-0002
- For Schedules 2, 3, and 5, mail Form 8849 to:  
Internal Revenue Service  
P.O. Box 312  
Covington, KY 41012-0312

**Caution:** *Private delivery services designated by the IRS cannot deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address. For details on designated private delivery services, see **Pub. 509**, Tax Calendars for 2005.*

#### Including the Refund in Income

Include any refund of excise taxes in your gross income if you claimed the amount of the tax as an expense deduction that reduced your income tax liability. See Pub. 378 for more information.

#### Information for Completing Schedules 1, 2, 3, and 5

**Note:** *Your refund will be delayed or Form 8849 will be returned to you if you do not follow the required procedures or do not provide all the required information. See the instructions for each schedule.*

Complete each schedule and attach all information requested for each claim you make. Be sure to enter your name and TIN on each schedule you attach. Generally, for each claim, you must enter the:

- Period of the claim.
- Item number (when requested) from the **Type of Use Table** on page 3.
- Rate (as needed). See the separate schedule instructions.
- Number of gallons.
- Amount of refund.

If you need more space for any line on a schedule (for example, you have more than one type of use) prepare a separate sheet with the same information. Include your name and TIN.

**Period of Claim**

Enter the period of the claim for each type of claim using the MMDDYYYY format. For example, the first quarter of 2005 for a calendar-year taxpayer would be 01012005 to 03312005.

**Type of Use Table**

The following table lists the nontaxable uses of fuels. You must enter the number from the table in the **Type of Use** column as required on Schedules 1 and 2.

No.	Type of Use
1	On a farm for farming purposes
2	Off-highway business use (for business use other than in a highway vehicle registered or required to be registered for highway use) (other than use in mobile machinery)
3	Export
4	In a boat engaged in commercial fishing
5	In certain intercity and local buses
6	For diesel fuel or kerosene in a qualified local bus
7	In a bus transporting students and employees of schools (school buses)
8	For diesel fuel and kerosene (other than aviation-grade kerosene) used other than as a fuel in the propulsion engine of a train or diesel-powered highway vehicle (but not off-highway business use)
9	In foreign trade
10	Certain helicopter and fixed-wing air ambulance uses
11	For aviation-grade kerosene used other than as a fuel in the propulsion engine of an aircraft
12	In a highway vehicle owned by the United States that is not used on a highway
13	Exclusive use by a nonprofit educational organization
14	Exclusive use by a state, political subdivision of a state, or the District of Columbia
15	In an aircraft or vehicle owned by an aircraft museum
16	In military aircraft
17	For use in the production of special fuels

**Additional Information for Schedules 1, 2, and 3**

**Annual Claims**

An annual claim must be made on **Form 4136**, Credit for Federal Tax Paid on Fuels, for the income tax year during which the fuel was:

- Used by the ultimate purchaser.
- Sold by the registered ultimate vendor.
- Used to produce alcohol fuel mixtures and biodiesel mixtures.
- Used in mobile machinery for taxable years beginning after October 22, 2004.

The following claimants must use Form 8849 (Schedule 1) for annual claims:

1. The United States,
2. A state, political subdivision of a state, or the District of Columbia, and

3. Organizations exempt from income tax under section 501(a) (provided that the organization is not required to file **Form 990-T**, Exempt Organization Business Income Tax Return, for that taxable year).

For claimants included in 1–3 above, the annual Form 8849 for fuel used during the taxable year must be filed within the 3 years following the close of the taxable year. For these claimants, the taxable year is based on the calendar year or fiscal year it regularly uses to keep its books.

**Note:** Gasoline used by the above claimants on a farm for farming purposes (type of use 1) is an allowable use on Line 1 of Schedule 1.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on the form and schedules to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Subtitle F, Procedure and Administration, of the Internal Revenue Code allows refunds of taxes imposed under Subtitle D, Miscellaneous Excise Taxes. The form and schedules are used to determine the amount of the refund that is due to you. Section 6109 requires you to provide your taxpayer identification number (SSN or EIN). Routine uses of tax information include giving it to the Department of Justice for civil and criminal litigation, and cities, states, and the District of Columbia for use in administering their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement agencies and intelligence agencies to combat terrorism.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file the form and schedules will vary depending on individual circumstances. The estimated average times are:

	Recordkeeping	Learning about the law or the form	Preparing, copying, assembling, and sending the form to the IRS
Form 8849	3 hr., 21 min.	28 min.	24 min.
Schedule 1	12 hr., 54 min.		12 min.
Schedule 2	13 hr., 23 min.	6 min.	19 min.
Schedule 3	3 hr., 6 min.	6 min.	9 min.
Schedule 5	4 hr., 18 min.	6 min.	10 min.
Schedule 6	2 hr., 9 min.	12 min.	14 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making the form and schedules simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6406, Washington, DC 20224. Do not send Form 8849 to this address. Instead, see *Where To File* on page 2.