

General Instructions

Section references are to the Internal Revenue Code.

A Change To Note

After December 31, 2002, the rates change for gasohol. The new rates are shown on Schedule 1, lines 1b, 1c, and 1d, Schedule 3, and on Schedule 4, lines 2, 3, and 4.

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 2003, has more information on excise taxes.
- **Pub. 378**, Fuel Tax Credits and Refunds, has more information on nontaxable uses.

Purpose of Form

Use Schedules 1 through 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 1-5, including refunds of excise taxes reported on:

- **Form 720**, Quarterly Federal Excise Tax Return, including section 4091(d) claims;
- **Form 730**, Monthly Tax Return on 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, 4, and 6 (except section 4091(d) claims on Schedule 6), mail Form 8849 to:
Internal Revenue Service
Cincinnati, OH 45999-0002
- For Schedules 2, 3, 5, and 6 (only section 4091(d) claims on Schedule 6), 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 2003**.

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 1-5

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 2003 for a calendar-year taxpayer would be 01012003 to 03312003.

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 4.

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 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 fuel 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

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 Federal and state agencies to enforce Federal nontax criminal law and 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., 35 min.	30 min.	34 min.
Schedule 1	11 hr., 57 min.		12 min.
Schedule 2	7 hr., 39 min.	12 min.	19 min.
Schedule 3	3 hr., 21 min.		3 min.
Schedule 4	4 hr., 46 min.		4 min.
Schedule 5	5 hr., 15 min.	6 min.	11 min.
Schedule 6	4 hr., 18 min.	12 min.	16 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 Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send Form 8849 to this address. Instead, see **Where To File** on page 2.

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 gasohol.

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



**Schedule 1
(Form 8849)**

Department of the Treasury—Internal Revenue Service

Nontaxable Use of Fuels

OMB No. 1545-1420

(Rev. January 2003)

▶ Attach to Form 8849.

Name as shown on Form 8849	EIN or SSN	Total refund (see instructions) \$
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Period of claim: Enter month, day, and year in MMDDYYYY format. **From** ▶ _____ **To** ▶ _____

1 Nontaxable Use of Gasoline and Gasohol	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund <i>Multiply col. (b) by col. (c)</i>	(e) CRN
a Gasoline		\$.184		\$	362
b 10% gasohol		.184			359
c 7.7% gasohol		.14396			375
d 5.7% gasohol		.15436			376

2 Nontaxable Use of Aviation Gasoline					
a Use in commercial aviation (other than foreign trade)	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund	(e) CRN
		\$.15		\$	354
b Other nontaxable use		.194			324
		.194			

3 Nontaxable Use of Undyed Diesel Fuel					
<p>Claimant has the name and address of the person(s) who sold the diesel fuel to the claimant and the date(s) of the purchase(s) and if exported, the required proof of export.</p> <p>Claimant certifies that the diesel fuel did not contain visible evidence of dye.</p> <p>Exception. If any of the diesel fuel included in this claim did contain visible evidence of dye, attach a detailed explanation and check here <input type="checkbox"/></p> <p>Caution: Claims cannot be made on line 3 for diesel fuel used on a farm for farming purposes or for the exclusive use by a state or local government. Only registered ultimate vendors may make those claims using Schedule 2.</p>					

a Nontaxable use (see Caution above)	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund <i>Multiply col. (b) by col. (c)</i>	(e) CRN
		\$.244		\$	360
		.244			
b Use in trains		.20			353
c Use in certain intercity and local buses		.17			350

4 Nontaxable Use of Undyed Kerosene					
<p>Claimant has the name and address of the person(s) who sold the kerosene to the claimant and the date(s) of the purchase(s) and if exported, the required proof of export.</p> <p>Claimant certifies that the kerosene did not contain visible evidence of dye.</p> <p>Exception. If any of the kerosene included in this claim did contain visible evidence of dye, attach a detailed explanation and check here <input type="checkbox"/></p> <p>Caution: Claims cannot be made on line 4 for kerosene used on a farm for farming purposes, for the exclusive use by a state or local government, or for sales from a blocked pump. Only registered ultimate vendors may make those claims using Schedule 2.</p>					

Nontaxable use (see Caution above)	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund <i>Multiply col. (b) by col. (c)</i>	(e) CRN
		\$.244		\$	346
		.244			

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

6 Nontaxable Use of Liquefied Petroleum Gas (LPG) in Certain Buses					
a Use in certain intercity and local buses	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund	(e) CRN
		\$.062		\$	352
b Use in qualified local buses		.136			361
Use in school buses		.136			

Instructions

Purpose of Schedule

An ultimate purchaser of gasoline, gasohol, aviation gasoline, diesel fuel, kerosene, aviation fuel, and liquefied petroleum gas (LPG) uses Schedule 1 to make a claim for refund. The fuel must have been used in a nontaxable use. See the instructions for lines 1 through 5 for more information.

Claim Requirements

The following requirements must be met:

1. The amount claimed on Schedule 1 must be at least \$750. This amount may be met by:

- a. Making a claim for fuel used during any quarter of a claimant's income tax year or
- b. Aggregating amounts from any quarters of the claimant's income tax year for which no other claim has been made.

2. The claim must be filed during the first quarter following the last quarter included in the claim. For example, a claim for the quarters consisting of July through September and October through December must be filed between January 1 and March 31.

3. Only one claim may be filed for a quarter.

Note: If requirements 1–3 above are not met, see **Annual Claims** in the Form 8849 instructions.

Total Refund

Add all amounts in column (d) and enter the result in the total refund box at the top of the schedule.

Type of Use

The fuel must have been used for one or more of the types of use listed in the instructions for lines 1 through 5. The nontaxable uses are listed in the Type of Use Table in the Form 8849 instructions.

How To File

Attach Schedule 1 to Form 8849. Mail to the IRS at the address under **Where To File** in the Form 8849 instructions.

Line 1. Nontaxable Use of Gasoline and Gasohol

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

Allowable uses. The gasoline or gasohol must have been used during the period of claim for type of use 2, 3, 4, 5, 7, 12, 13, 14, or 15. Type of use 2 does not include any personal use or use in a motorboat.

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 3, 9, 10, 13, 14, 15, or 16.

Line 3. Nontaxable Use of Undyed Diesel Fuel

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

Caution: Claims cannot be made on line 3 for diesel fuel:

- Used on a farm for farming purposes or
- For the exclusive use by a state or local government.

Only registered ultimate vendors may make those claims; see Schedule 2.

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, 12, 13, or 15. Type of use 8 includes use as heating oil and use in a boat. Type of use 2 does not include any personal use or use in a motorboat.

Line 4. Nontaxable Use of Undyed Kerosene

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

Caution: Claims cannot be made on line 4 for kerosene:

- Used on a farm for farming purposes,
- For the exclusive use by a state or local government, or
- Sales from a blocked pump.

Only registered ultimate vendors may make those claims; see Schedule 2.

Allowable uses. The kerosene must have been used during the period of claim for type of use 2, 3, 7, 8, 12, 13, or 15. Type of use 8 includes use as heating oil and use in a boat. Type of use 2 does not include any personal use or use in a motorboat.

Line 5. Nontaxable Use of Aviation Fuel

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

Allowable uses. For line 5b (aviation fuel taxed at a rate of 21.9 cents a gallon) or line 5c (aviation fuel taxed at a rate of 4.4 cents a gallon), the aviation fuel must have been used during the period of claim for type of use 1, 3, 9, 10, 11, 13, 14, 15, or 16.

Line 6. Nontaxable Use of Liquefied Petroleum Gas (LPG) in Certain Buses

Claimant. The ultimate purchaser of the LPG (such as propane or butane) is the only person eligible to make this claim.

