



MFD

# Claim for Refund Instructions Tax-Paid Motor Fuel Used Off-Highway

North Carolina Department of Revenue

Complete all information at the top of Form Gas-1201 including legal name (first 30 characters), trade name, address, county, FEIN or SSN, contact person, telephone number, fax number, and business or activity for which refund is claimed. This return is due to be filed by April 15th of each year.

## General Information

This claim is to be used to obtain a refund of the road tax on tax-paid motor fuels purchased and used for any purpose other than to propel a motor vehicle licensed for use upon the highways as authorized by G.S. 105-449.107(a).

All applicants for off-highway refunds must complete this form as it relates to their use of tax-paid motor fuels for off-highway purposes. All applicants must complete Parts 1 through 5 as applicable. In addition, all applicants engaged in agriculture must complete Part 6. If the application is not complete, it will be returned for completion.

Claims for refund are due to be filed by April 15th of each year. G.S. 105-449.108 disallows a claim for refund filed more than three years after the date the claim is due. The Post Office postmark is accepted as the date the claim is filed.

Fuel receipts are required to be submitted along with the first refund application. The Department will not require fuel purchase invoices to be submitted for each refund application thereafter but reserves the right to require invoices with refund returns in the future. You must retain the fuel purchase invoices with your records in the event you are audited. If you show gallons of tax-paid motor fuel on hand as of January 1, 2008 and you did not file a refund claim for 2007, you must include purchase invoices to substantiate the amount of tax-paid fuel on hand. Each invoice must show the date of purchase, name and address of the seller, name and address of the purchaser, type of fuel, number of gallons purchased, price per gallon, and total amount paid. Invoices that show alterations and/or erasures are not allowed.

Dealers of off-highway equipment are entitled to a refund on tax-paid motor fuel placed into equipment for sale provided there is no charge for the fuel when the equipment is sold. If the fuel is sold to the purchaser of the equipment, the purchaser is entitled to a refund on the fuel.

Tenants are entitled to a refund on tax-paid motor fuels that are purchased by the landlord and used by the tenant, provided the tenant reimburses the landlord for the total cost of the motor fuel and the name of the tenant and landlord appear on the invoice.

If tax-paid motor fuel is used from the storage tanks listed in Part 4, then records of fuel withdrawn and purpose of use must be kept for a period of 3 years.

Failure to comply with the instructions or failure to complete the claim may result in the disallowance of the refund, a delay in payment, or reduction in the refund requested. If an audit reveals that an overpayment has been made as the result of an incorrect claim, the applicant will be required to repay the amount overpaid plus penalty and accrued interest.

## Part 1 - Gallonage Accountability

### **Line 1 - Beginning inventory of tax-paid motor fuel**

Enter the beginning inventory as of January 1, 2008. This figure includes gasoline, undyed diesel, and undyed kerosene. Round all gallons to the nearest whole gallon.

### **Line 2 - Total gallons of tax-paid motor fuel purchased during 2008**

Enter the total tax-paid motor fuel purchased during the year. This figure includes gasoline, undyed diesel, and undyed kerosene. Round all gallons to the nearest whole gallon.

### **Line 3 - Total gallons of tax-paid motor fuel to be accounted for**

Add Lines 1 and 2. Line 3 must equal Line 7.

### **Line 4 - Total gallons of tax-paid motor fuel used in off-highway equipment for which a refund is requested**

Enter the total number of gallons of tax-paid motor fuel used in off-highway equipment listed in Part 3 on the back of the report. Round all gallons to the nearest whole gallon.

**Line 5 - Total gallons of tax-paid motor fuel used in licensed vehicles for which no refund is requested**

Enter the total number of gallons of tax-paid motor fuel used in Licensed Vehicles listed in Part 5 on the back of the report. Round all gallons to the nearest whole gallon.

**Line 6 - Ending inventory of tax-paid motor fuel on hand at end of year**

Enter the ending inventory of tax-paid motor fuel as of December 31, 2008. This figure includes gasoline, undyed diesel, and undyed kerosene. Round all gallons to the nearest whole gallon.

**Line 7 - Total gallons of tax-paid motor fuel accounted for**

Add Lines 4, 5, and 6. Line 7 must equal Line 3.

**Part 2 - Computation of Refund**

**Line 8 - Refund due on tax-paid motor fuel used in off-highway equipment**

Multiply Line 4 by applicable tax rate.

**Line 9 - Total gallons of motor fuel used in nonhighway equipment for which sales tax is due**

G.S. 105-449.107 requires the off-highway refund to be reduced by the amount of sales tax due on the fuel.

**Line 10 - General off-highway use sales tax due**

Multiply Line 9 by applicable tax rate.

**Line 11 - Total gallons of motor fuel used in nonhighway equipment for which privilege tax is due**

G.S. 105-449.107 requires the off-highway refund to be reduced by the amount of privilege tax due on the fuel.

**Line 12 - Privilege tax due**

Multiply Line 11 by applicable tax rate.

***Manufacturers** include sawmills and concrete manufacturers. Attach Form E-595E, Certificate of Exemption or the following statement to the refund claim: "The undersigned manufacturer certifies that the fuel subject on this application for refund was purchased for use in the operation of its manufacturing industry or manufacturing plant."*

**Line 13 - Total gallons of motor fuel used in commercial fishing, commercial logging, railroads, farming, and ocean-going vessels for which no sales or privilege tax is due.**

G.S. 105-164.13 defines those uses of motor fuel that are exempt from paying the sales or privilege tax.

**Line 14 - Total Refund Due**

Line 8 minus Lines 10 and 12.

**G.S. 105-449.120(a)(5), Penalty for False Statement.** Any person who makes a false statement in an application for refund is guilty of a Class 1 misdemeanor.

**MAIL TO:**

North Carolina Department of Revenue  
Motor Fuels Tax Division  
Post Office Box 25000  
Raleigh, North Carolina 27640-0950

**QUESTIONS:**

Contact the Motor Fuels Tax Division at:  
Telephone Number (919) 733-3409  
Toll Free Number (877) 308-9092  
Fax Number (919) 733-8654