

§ 48.4073-4

26 CFR Ch. I (4-1-01 Edition)

possession a properly executed exemption certificate.

(2) Where only occasional sales of tread rubber for exempt use are made to a purchaser, a separate exemption certificate should be furnished for each order. However, where sales are regularly and frequently made to a purchaser for exempt use, a certificate covering all purchases during the period not to exceed 12 calendar quarters is acceptable. The certificates and proper records of invoices, orders, etc., relative to tax-free sales must be kept for inspection by the district director as provided in section 6001 and the regulations in Subpart Q.

(d) *Acceptable form of exemption certificate.* The following form of exemption certificate is acceptable for the purposes of this section and must be adhered to in substance:

EXEMPTION CERTIFICATE

(For use by persons who purchase tread rubber from the manufacturer, producer, or importer thereof for use otherwise than in recapping or retreading tires of the type used on highway vehicles (section 4073(c) of the Internal Revenue Code).)

(Date) \_\_\_\_\_, 19\_\_\_\_

I, the undersigned, certify that I am the purchaser, or the (Title) \_\_\_\_\_ of (Name of purchaser if other than the undersigned) \_\_\_\_\_ who is the purchaser of: \_\_\_\_\_ The tread rubber specified in the accompanying order or contract, or \_\_\_\_\_ All tread rubber specified in contracts or orders entered into or placed with (Name of seller) \_\_\_\_\_ for the period commencing \_\_\_\_\_ and ending \_\_\_\_\_ (period not to exceed 12 calendar quarters), and that such tread rubber will not be used in the recapping or retreading of tires of the type used on highway vehicles, but will be used for the following purposes:

\_\_\_\_\_  
\_\_\_\_\_

The undersigned understands that if the tread rubber is used for the recapping or retreading of tires of the type used on highway vehicles, or is sold or otherwise disposed of, such fact must be promptly reported to the manufacturer. The undersigned also understands that the fraudulent use of this certificate for the purpose of securing this exemption will subject the undersigned or any other party making such fraudulent use to a fine of not more than \$10,000, or to imprisonment for not more than 5 years, or both, together with costs of prosecution. The purchaser also understands that the purchaser must be prepared to establish by satisfactory

evidence the purpose for which the tread rubber was used.

(Signature) \_\_\_\_\_  
(Address) \_\_\_\_\_

(e) *Exemption certificate not obtained prior to filing of manufacturer's excise tax return.* If the sale is otherwise exempt but the exemption certificate is not obtained prior to the time the manufacturer files a return covering taxes due for the period during which the sale was made, the manufacturer must include the tax on the sale in its return for that period. However, if the certificate is later obtained, a claim for refund of the tax paid on the sale may be filed, or a credit for the amount may be taken upon a subsequent return, as provided by section 6416(b)(2) and § 48.6416(b)-2.

(Secs. 4071(b), 4071(c), 4073(c), and 7805, Internal Revenue Code of 1954. (80 Stat. 331, 26 U.S.C. 4071(b); 68A Stat. 482, 26 U.S.C. 4071(c); 70 Stat. 389, 26 U.S.C. 4073(c); 68A Stat. 917, 26 U.S.C. 7805))

[T.D. 7809, 47 FR 6007, Feb. 10, 1982]

§ 48.4073-4 Other tax-free sales.

(a) *Cross references.* For provisions relating to tax-free sales of articles referred to in section 4071, see:

(1) Section 4221, relating to certain tax-free sales, and the regulations thereunder in Subpart H;

(2) Section 4222, relating to registration, and the regulations thereunder in Subpart H;

(3) Section 4223, relating to special rules pertaining to further manufacture, and the regulations thereunder in Subpart H; and

(4) 28 FR 348, January 12, 1963, relating to the authorization of an exemption from the tax imposed by section 4071 by the Secretary of the Treasury under section 4293 for sales of certain tires and inner tubes sold to the American Red Cross on or after March 1, 1963.

(Secs. 4071(b), 4071(c), 4073(c), and 7805, Internal Revenue Code of 1954; 80 Stat. 331, 26 U.S.C. 4071(b); 68A Stat. 482, 26 U.S.C. 4071(c); 70 Stat. 389, 26 U.S.C. 4073(c); 68A Stat. 917, 26 U.S.C. 7805)

[T.D. 7809, 47 FR 6008, Feb. 10, 1982]

## TAXABLE FUEL

SOURCE: T.D. 8421, 57 FR 32424, July 22, 1992, unless otherwise noted.

**§ 48.4081-1 Taxable fuel; definitions.**

(a) *Overview.* This section provides definitions for purposes of the tax on taxable fuel imposed by section 4081.

(b) *Definitions.*

*Approved terminal or refinery* means a terminal or refinery that is operated, respectively, by a taxable fuel registrant that is a terminal operator, or by a taxable fuel registrant that is a refiner.

*Aviation gasoline* means all special grades of gasoline that are suitable for use in aviation reciprocating engines and covered by ASTM specification D 910 or military specification MIL-G-5572. For availability of ASTM and military specifications, see paragraph (d) of this section.

*Blender* means any person that produces blended taxable fuel.

*Bulk transfer* means any transfer of taxable fuel by pipeline or vessel.

*Bulk transfer/terminal system* means the taxable fuel distribution system consisting of refineries, pipelines, vessels, and terminals. Thus, taxable fuel in a refinery, pipeline, vessel, or terminal is in the bulk transfer/terminal system. Taxable fuel in the fuel supply tank of any engine, or in any tank car, rail car, trailer, truck, or other equipment suitable for ground transportation is not in the bulk transfer/terminal system.

*Bus* means automobile bus.

*Diesel-powered bus* means any bus that is propelled by a diesel-powered engine.

*Diesel-powered highway vehicle* means a highway vehicle, as defined in § 48.4041-8(b), that is propelled by a diesel-powered engine.

*Diesel-powered train* means any diesel-powered equipment or machinery that rides on rails. Thus, for example, the term includes a locomotive, work train, switching engine, and track maintenance machine.

*Enterer* generally means the importer of record (under customs law) with respect to the taxable fuel. However, if the importer of record is acting as an agent (for example, the importer of

record is a customs broker engaged by the owner of the taxable fuel), the person for whom the agent is acting is the enterer. If there is no importer of record for taxable fuel entered into the United States, the owner of the taxable fuel at the time it is brought into the United States is the enterer.

*Entry* of taxable fuel into the United States occurs when—

(1) The taxable fuel is brought into the United States and applicable customs law requires that the taxable fuel be entered into the United States for consumption, use, or warehousing; or

(2) The taxable fuel is brought into the United States from Puerto Rico and applicable customs law would require that the taxable fuel be entered into the United States for consumption, use, or warehousing if the taxable fuel were brought into the United States from somewhere other than Puerto Rico.

*Excluded liquid* means any liquid that—

(1) Contains less than four percent normal paraffins; or

(2) Has a—

(i) Distillation range of 125° F. or less;

(ii) Sulfur content of 10 ppm or less; and

(iii) Minimum color of +27 Saybolt.

*Finished gasoline* means all products (including gasohol (as defined in § 48.4081-6(b)(2))) that are commonly or commercially known or sold as gasoline and are suitable for use as a motor fuel, other than products that have an ASTM octane number of less than 75 as determined by the motor method.

*Gasoline* means finished gasoline and gasoline blendstocks.

*Industrial user* means any person that receives gasoline blendstocks by bulk transfer for its own use in the manufacture of any product other than finished gasoline.

*Kerosene* means any liquid that meets the specifications for kerosene or would meet those specifications but for the presence in the liquid of a dye of the type described in § 48.4082-1(b). A liquid meets the specifications for kerosene if it is one of the two grades of kerosene (No. 1-K and No. 2-K) covered by ASTM specification D 3699, or kerosene-type jet fuel covered by ASTM