

Section references are to the Internal Revenue Code.

What's New

- Schedules 1, 2, 3, and 6 have all been revised based on the Tax Technical Corrections Act of 2007 (P.L. 110-172).
- Schedules 1 and 2 have been revised to allow claims for the leaking underground storage tank (LUST) tax paid on aviation gasoline and kerosene used or sold for use in foreign trade.
- Schedule 3 has been re-titled and revised to allow claims for the alternative fuel credit.
- Schedule 6 has been revised to remove alternative fuel credit claims for certain tax-exempt entities. The alternative fuel credit can now be claimed on Schedule 3.
- Electronic filing for Form 8849 is currently under development. Once deployed, you can electronically file Form 8849 through any electronic return originator (ERO), transmitter, and/or intermediate service provider (ISP) participating in the IRS *e-file* program for excise taxes. For more information on *e-file* and its availability, visit the IRS website at www.irs.gov/efile.
- After December 31, 2007, qualified sunchapter S subsidiaries (QSubs) and eligible single-owner disregarded entities are treated as separate entities for excise tax and reporting purposes. QSubs and eligible single-owner disregarded entities must pay and report excise taxes (other than IRS Nos. 31, 51, and 117), register for excise tax activities, and claim any refunds, credits, and payments under the entity's employer identification number (EIN). These actions cannot take place under the owner's taxpayer identification number (TIN). Some QSubs and disregarded entities may already have an EIN. However, if you are unsure, please call the IRS Business and Specialty tax line at 1-800-829-4933.

Generally, QSubs and eligible single-owner disregarded entities will continue to be treated as disregarded entities for other federal tax purposes (other than employment taxes). Thus, taxpayers filing Form 4136, Credit for Federal Tax Paid on Fuels, with Form 1040, Individual Income Tax Return, can use the owner's TIN. For more information on these new regulations, see Treasury Decision (T.D.) 9356. You can find T.D. 9356 on page 675 of Internal Revenue Bulletin 2007-39 at www.irs.gov/pub/irs-irbs/irb07-39.pdf.

General Instructions

Purpose of Form

Use Schedules 1, 2, 3, 5, and 8 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, 5, and 8, 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. Instead, use Form 720X.
- To claim amounts that you took or will take as a credit on Schedule C (Form 720), Form 730, Form 2290, or Form 4136.

Additional Information

- Pub. 510, Excise Taxes, has more information on nontaxable uses, and the definitions of terms such as ultimate vendor and blocked pump. Pub. 510 also contains information on fuel tax credits and refunds.
- Pub. 225, Farmer's Tax Guide, also includes information on credits and refunds for the federal excise tax on fuels applicable to farmers.

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

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:
 Department of the Treasury
 Internal Revenue Service
 Cincinnati, OH 45999-0002
- For Schedules 2, 3, 5, and 8, 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 2008.

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.

Cash method. If you use the cash method and file a claim for refund, include the refund amount in your gross income for the tax year in which you receive the refund.

Accrual method. If you use an accrual method, include the amount of refund in gross income for the tax year in which you used the fuels (or sold the fuels if you are a registered ultimate vendor or registered credit card issuer).

Specific Instructions

Information for Completing Schedules

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 following information:

- Period of the claim.
- Item number (when requested) from the *Type of Use Table* below.
- 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 on each sheet you attach.

Period of Claim

Enter the period of the claim for each type of claim using the MMDDYYYY format. For example, the first quarter of 2008 for a calendar-year taxpayer would be 01012008 to 03312008.

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	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 kerosene used in aviation) 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 aircraft uses
11	Exclusive use by a qualified blood collector organization
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

Types of Use 13 and 14. Generally, claims for sales of diesel fuel, kerosene, kerosene for use in aviation, gasoline, or aviation gasoline for the exclusive use of a state or local government (and nonprofit educational organization for gasoline or aviation gasoline) must be made following the order below.

1. By the registered credit card issuer if the state or local government (or nonprofit educational organization if applicable) used a credit card and the credit card issuer meets the requirements discussed in the Schedule 8 (Form 8849) instructions.

2. By the registered ultimate vendor if the ultimate purchaser did not use a credit card and the ultimate vendor meets the requirements discussed in the Schedule 2 (Form 8849) instructions.

3. By the ultimate purchaser if the ultimate purchaser used a credit card and neither the registered credit card issuer nor the registered ultimate vendor is eligible to make the claim.

For additional requirements, see Pub. 510.

Additional Information for Schedules 1, 2, and 3

Annual Claims

If a claim was not made for any gallons during the income tax year on Form 8849, 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;
- Purchased with a credit card issued by a registered credit card issuer (except for gasoline and aviation gasoline);
- Used to produce alcohol fuel mixtures, biodiesel or renewable diesel mixtures, and alternative fuel mixtures; or
- Used in mobile machinery.

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 (but see *Types of Use 13 and 14* on page 3).
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.

Although not an annual claim, the above claimants should use Schedule 3 to claim the alternative fuel credit.

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:

	Record-keeping	Learning about the law or the form	Preparing, copying, assembling, and sending the form to the IRS
Form 8849	3 hr., 21 min.	24 min.	28 min.
Schedule 1	20 hr., 19 min.	6 min.	25 min.
Schedule 2	11 hr., 43 min.		11 min.
Schedule 3	7 hr., 10 min.	6 min.	13 min.
Schedule 5	3 hr., 35 min.	6 min.	9 min.
Schedule 6	2 hr., 9 min.	24 min.	27 min.
Schedule 8	5 hr., 15 min.		5 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-6526, Washington, DC 20224. Do not send Form 8849 to this address. Instead, see *Where To File* on page 3.