

# Instructions for Form 720

(Rev. December 2025)

## Quarterly Federal Excise Tax Return

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Volume 2 of 2



Department of the Treasury  
**Internal Revenue Service**

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## **Other Part II Taxes**

**Inland waterways fuel use tax (IRS No. 64).** If you are liable for the inland waterways fuel use tax, report the number of gallons subject to tax on the line for IRS No. 64. Certain fuels must also be reported under IRS No. 125 (discussed next).

**Caution:** The inland waterways fuel use tax applies at the rate listed on Form 720. This is in addition to all other taxes imposed on the sale or use of the fuel.

**Leaking underground storage tank (LUST) tax on inland waterways fuel use (IRS No. 125).** The LUST tax must be paid on any liquid fuel used on inland waterways that isn't subject to LUST tax under section 4041(d) or 4081. For example, gallons of Bunker C residual fuel oil must be reported under both IRS Nos. 64 and 125.

**Section 40 fuels (IRS No. 51).** An excise tax is imposed (recaptured) if you claim the second generation biofuel producer credit and

you don't use the fuel for the purposes described under *Qualified Second Generation Biofuel Production* in the Instructions for Form 6478, Biofuel

Producer Credit. When recapturing, you must pay a tax on each gallon of second generation biofuel at the rate you used to figure the credit.

The tax rate for second generation biofuel is \$1.01 per gallon. Fill in the number of gallons and the appropriate rate in the "Rate" column on the line for IRS No. 51.

**Biodiesel sold as, but not used as, fuel (IRS No. 117).** You must pay a tax (recapture) on each gallon of biodiesel or renewable diesel on which a credit was claimed at the rate used to figure the credit if you:

- Use it (including a mixture) other than as a fuel;

- Buy it at retail and use it to create a mixture;
- Separate it from a mixture; or
- Use agri-biodiesel on which the small agri-biodiesel producer credit was claimed for a use not described under *Qualified Agri-Biodiesel Production* in the Instructions for Form 8864, Biodiesel, Renewable Diesel, or Sustainable Aviation Fuels Credit.

The tax is \$1.00 per gallon of biodiesel, agri-biodiesel, and renewable diesel. An additional \$.10 is added if the agri-biodiesel benefited from the small agri-biodiesel producer credit. Fill in the number of gallons and the appropriate rate in the "Rate" column on the line for IRS No. 117. If more than one rate applies, leave the "Rate" column blank and attach a schedule showing the rates and number of gallons taxed at each rate.

## **Floor Stocks Tax**

**Ozone-depleting chemicals floor stocks tax (IRS No. 20).** Use Form 6627 to figure the liability for this tax. Enter the amount from Column (d) of Form 6627, Part IV, line 4 on the line for IRS No. 20. Attach Form 6627 to the Form 720 that is due July 31 of each year.

## **Excise Tax on Repurchase of Corporate Stock**

**IRS No. 150.** Use Form 7208 to figure the liability for this tax. Enter the amount from Form 7208, Part V, line 11. Attach your Form 7208 to your Form 720, due for the first full quarter after the close of your tax year.

**Caution:** T.D. 10002 makes the first due date for reporting and paying the tax October 31, 2024. This due date applies for full 12-month calendar tax year 2023 stock repurchases. If you have more than 1 tax year ending after 2022, and on or before June 28, 2024, you

should file a single Form 720 with two separate Forms 7208 attached (one for each tax year). For a tax year ending on or after June 28, 2024, the due date is the due date of the Form 720 for the first full quarter after that year end.

## **Sales of Designated Drugs During Statutory Periods**

**IRS No. 142.** Section 5000D imposes an excise tax on the sale by the manufacturer, producer, or importer of any designated drug during a day that falls within a period described in section 5000D(b). Under proposed regulations, [REG-115559-23](#) (also see [Notice 2023-52](#)), you'll be required to report any section 5000D drug tax liability on your Form 720.

These proposed regulations were adopted as final by T.D. 10003, effective August 5, 2024, and will apply to calendar quarters beginning on or after October 1, 2023.

You may be required to file Form 720-X now that the T.D. is published to report revisions to your originally reported section 5000D liability.

## **Part III**

**Line 4.** Report on Form 720, line 4, the total claims from Schedule C, line 15. See Schedule C. Claims, later.

**Line 6.** Include on line 6 the amount from line 11 of your previous return that you applied to this return and the amount from Form 720-X, line 5b.

**Note:** Include on line 6 of your next return the amount from line 11 you want to have applied to that return.

**Caution:** If you owe other federal tax, interest, or penalty, the overpayment on line 11 and line 7 will first be applied to the unpaid amounts.



**Line 10.** If line 3 is more than line 9, enter the difference on line 10. You don't have to pay if line 10 is under \$1.00.

You may pay the amount shown on line 10 by IRS Direct Pay, EFTPS, check or money order, or, if filing electronically, electronic funds withdrawal (direct debit). If you pay by IRS Direct Pay, EFTPS, or direct debit, don't file Form 720-V.

**Caution:** If you don't deposit as required and instead pay the taxes with Form 720, you may be subject to a penalty.

## **Payment of Taxes**

Generally, semimonthly deposits of excise taxes are required. A **semimonthly period** is the first 15 days of a month (the first semimonthly period) or the 16th through the last day of a month (the second semimonthly period).

However, no deposit is required for the situations listed below. The taxes are payable with the return.

- The net liability for taxes listed in Form 720, Part I, doesn't exceed \$2,500 for the quarter.
- The gas guzzler tax is being paid on a one-time filing. See *Gas guzzler tax (IRS No. 40)*, earlier.
- The PCOR fee is being paid with a second-quarter Form
- 720. See *Patient-centered outcomes research (PCOR) fee (IRS No. 133)*, earlier.
- The liability is for taxes listed in Form 720, Part II, except the floor stocks tax, which generally requires a single deposit.

**Special rule for deposits of taxes in September 2025.** If you are required to

make deposits, see the chart later. The special rule doesn't apply to taxes not required to be deposited (see *Payment of Taxes*, earlier). See Regulations sections 40.6302(c)-2 and 40.6302(c)-3 for rules to figure the net tax liability for the deposits due in September.

## Additional Deposit of Taxes in September 2025

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For the period			
Type of tax	Beginning on	Ending on	Due date
Regular method taxes	Sept. 16	Sept. 26	Sept. 29
Alternative method taxes (IRS Nos. 22, 26, 27, and 28) (based on amounts billed)	Sept. 1	Sept. 11	Sept. 29

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**Caution:** Using the regular method: For the remaining days in September (27–30), make your deposits by the 10th day of October. Because October 11 is a Saturday, you must deposit the day before. Using the alternative

method: For the remaining days in September (12–30), see Pub. 509 for deposit dates.

## **How To Make Deposits**

To avoid a penalty, make your deposits timely and don't mail your deposits directly to the IRS. Records of your deposits will be sent to the IRS for crediting to your accounts.

**Electronic deposit requirement.** You must deposit all depository taxes (such as excise tax, employment tax, or corporate income tax) by EFT.

***Depositing on time.*** For EFTPS deposits to be on time, you must initiate the transaction at least 1 day before the date the deposit is due (before 8:00 p.m. Eastern time).

If a deposit is due on a day that isn't a business day or that is a legal holiday, see *When To Make Deposits*, later. The term

“legal holiday” means any legal holiday in the District of Columbia.

**Same-day wire payment option.** If you fail to submit a deposit transaction on EFTPS by 8:00 p.m. Eastern time the day before the date a deposit is due, you can still make your deposit on time by using the Federal Tax Collection Service (FTCS). To use the same-day wire payment method, you will need to make arrangements with your financial institution ahead of time. Please check with your financial institution regarding availability, deadlines, and costs. Your financial institution may charge you a fee for payments made this way. To learn more about the information you will need to provide your financial institution to make a same-day wire payment, go to [IRS.gov/SameDayWire](https://www.irs.gov/SameDayWire).

**Tip:** You will automatically be enrolled in EFTPS when you apply for an EIN. You will receive a separate mailing containing

instructions for activating your EFTPS enrollment after you receive your EIN.

## **When To Make Deposits**

There are two methods for determining deposits: the regular method and the alternative method.

The regular method applies to all taxes in Form 720, Part I, except for communications and air transportation taxes if deposits are based on amounts billed or tickets sold, rather than on amounts actually collected.

See *Alternative method (IRS Nos. 22, 26, 27, and 28)* below.

If you are depositing more than one tax under a method, combine all the taxes under the method and make one deposit for the semimonthly period.

**Regular method.** The deposit of tax for a semimonthly period is due by the 14th day following that period. Generally, this is the

29th day of a month for the first semimonthly period and the 14th day of the following month for the second semimonthly period. If the 14th or the 29th day falls on a Saturday, Sunday, or legal holiday, you **must** make the deposit by the immediately **preceding** day that isn't a Saturday, Sunday, or legal holiday.

**Alternative method (IRS Nos. 22, 26, 27, and 28).** Deposits of communications and air transportation taxes may be based on taxes included in amounts billed or tickets sold during a semimonthly period instead of on taxes actually collected during the period. Under the alternative method, the tax included in amounts billed or tickets sold during a semimonthly period is considered collected during the first 7 days of the second following semimonthly period. The deposit of tax is due by the third business day after the seventh day of that period.



***Example.*** The tax included in amounts billed or tickets sold for the period June 16–30, 2025, is considered collected from July 16–22, 2025, and must be deposited by July 25, 2025.

To use the alternative method, you must keep separate accounts of the tax included in amounts billed or tickets sold during the month and report on Form 720 the tax included in amounts billed or tickets sold and not the amount of tax that is actually collected. For example, amounts billed in December, January, and February are considered collected during January, February, and March and are reported on Form 720 as the tax for the first quarter of the calendar year.

The separate account for each month must reflect:

1. All items of tax included in amounts billed or tickets sold during the month, and
2. Other items of adjustment relating to tax for prior months (within the statute of limitations on credits or refunds).

The separate account for any month can't include an adjustment resulting from a refusal to pay or inability to collect unless the refusal has been reported to the IRS. See *Communications and Air Transportation Taxes—Uncollected Tax Report*, earlier.

The net tax liability that is considered collected during the semimonthly period must be either:

- The net amount of tax reflected in the separate account for the corresponding semimonthly period of the preceding month, or

- One-half of the net amount of tax reflected in the separate account for the preceding month.

## **Amount To Deposit**

Deposits of taxes for a semimonthly period must be at least 95% of the amount of net tax liability for that period, unless the safe harbor rule applies. See *Safe Harbor Rule*, later.

The net tax liability for a semimonthly period is the total liability for the period minus any claims allowed on Schedule C for the period. Net tax liability for a semimonthly period may be figured by dividing the net tax liability for the month by 2, provided this method of computation is used for all semimonthly periods in the calendar quarter.

**Caution:** The net tax liability for a semimonthly period isn't reduced by any amounts from Form 720-X.

## **Safe Harbor Rule**

The safe harbor rule applies separately to deposits under the regular method and the alternative method. Persons who filed Form 720 for the lookback quarter (the second calendar quarter preceding the current quarter) are considered to meet the semimonthly deposit requirement if the deposit for each semimonthly period in the current quarter is at least  $\frac{1}{6}$  (16.67%) of the net tax liability reported for the lookback quarter.

For the semimonthly period for which the additional deposit is required (September 1–11 and 16–26), the additional deposit must be at least  $\frac{11}{90}$  (12.23%) of the net tax liability reported for the lookback quarter. Also, the total deposit for that semimonthly period must be at least  $\frac{1}{6}$  (16.67%) of the net tax liability reported for the lookback quarter.

***Exceptions.*** The safe harbor rule doesn't apply to the following quarters.

- The first and second quarters beginning on or after the effective date of an increase in the rate of tax unless the deposit of taxes for each semimonthly period in the calendar quarter is at least  $\frac{1}{6}$  (16.67%) of the tax liability you would have had for the lookback quarter if the increased rate of tax had been in effect for that lookback quarter.
- Any quarter if liability includes any tax not in effect throughout the lookback quarter.
- For deposits under the alternative method, any quarter if liability includes any tax not in effect throughout the lookback quarter and the month preceding the lookback quarter.

**Requirements to be met.** For the safe harbor rule to apply, you must pay any underpayment for the current quarter by the

due date of the return and check the box on line 5 of Form 720.

**Caution:** The IRS may withdraw the right to make deposits of tax using the safe harbor rule from any person not complying with these rules.

## **Online Payment Agreement**

If you can't pay the full amount of tax owed, you can apply for an installment agreement online. You can apply for an installment agreement online if the total amount you owe in combined tax, penalties, and interest is \$25,000 (\$50,000 for individuals) or less, and you've filed all required returns. To apply using the Online Payment Agreement Application, go to [IRS.gov/OPA](https://www.irs.gov/opa).

# Schedule A. Excise Tax Liability

**How to complete.** Complete Schedule A to record net tax liabilities for Form 720, Part I, taxes for each semimonthly period in a quarter even if your net liability is under \$2,500.

The following table will help you determine which boxes to complete on Schedule A.

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IF you are reporting under the...	THEN you report on line...	AND enter the net tax liability in boxes...
regular method	1	A–G.
alternative method	2	M–S.

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If you are reporting more than one type of tax on lines 1 and 2:

1. Add the net tax liability for each tax for each semimonthly period, and
2. Enter the total in the applicable box.

***Additional rules.*** Report communications and air transportation taxes based on:

- Actual collections on line 1, or
- Amounts billed or tickets sold on line 2. The amount of tax to report for a semimonthly period is the net amount that is considered collected during that period.

***Example.*** Under the alternative method, the amounts billed for communications services from June 1–15, 2025, are considered collected during the period July 1–7, 2025, and are reported for the third quarter of 2025 on Schedule A in box **M**, not the second quarter of 2025.

**Reporting tax liability under the special September rule.** An additional reporting is



required under the special September rule as follows.

*Regular method taxes* Enter the liability for the period beginning

September 26/27 and ending September 30 in box **F**.

*Alternative method taxes* Enter the tax included in the amounts billed or tickets sold for the period beginning

September 11/12 and ending September 15 in box **M** of the **fourth quarter return**. Enter the tax included in amounts billed or tickets sold during the period beginning September 16 and ending September 30 in box **N** of the **fourth quarter return**.

# **Schedule T. Two-Party Exchange Information Reporting**

In a two-party exchange, the receiving person, not the delivering person, is liable for the tax imposed on the removal of taxable fuel from the terminal at the terminal rack. A “two-party exchange” means a transaction (other than a sale) where the delivering person and receiving person are both taxable fuel registrants and all of the following occur.

- The transaction includes a transfer from the delivering person, who holds the inventory position for the taxable fuel in the terminal as reflected in the records of the terminal operator.
- The exchange transaction occurs before or at the same time as completion of removal across the rack by the receiving person.

- The terminal operator in its records treats the receiving person as the person that removes the product across the terminal rack for purposes of reporting the transaction on Form 720-TO, Terminal Operator Report.
- The transaction is the subject of a written contract.

**Information reporting.** Schedule T is used to report gallons of taxable fuel:

- Received in a two-party exchange within a terminal—these gallons must also be included on the appropriate line on Form 720, page 1; or
- Delivered in a two-party exchange with a removal across the rack.

Enter all gallons of fuel received or delivered in a two-party exchange within a terminal for the applicable fuel.

# Schedule C. Claims

Complete all information requested for each line, including

“Month your income tax year ends” and  
“Period of claim.”

Enter the month as “MM.” Enter the period of claim as “MM/DD/YYYY–MM/DD/YYYY.” Your claim will be disallowed if you don't follow the required procedures or don't provide all the required information. Also, you are certifying the applicable statement(s) on Schedule C when you make a claim. See Pub. 510 for more information.

**Caution:** You must include in gross income (income tax return) the amount from line 4 of Form 720 if you took a deduction on the income tax return that included the amount of the taxes and that deduction reduced the income tax liability. See Pub. 510 for more information. Don't use Schedule C:

- If you aren't reporting a liability in Form 720, Part I or II;
- For amounts you will claim or have claimed on Form 4136, or as a refund on Form 8849, Claim for Refund of Excise Taxes, and its separate schedules;
- To make adjustments to liability reported on Forms 720 filed for prior quarters (instead, use Form 720-X);
- If you are seeking a refund of the surtax on any liquid used in a fractional ownership program aircraft as fuel (IRS No. 13) (instead, use Form 720-X); or
- To request an abatement or a refund of interest under section 6404(e) (due to IRS errors or delays) or an abatement or a refund of a penalty or addition to tax under section 6404(f) (due to erroneous IRS written advice).

Instead, use Form 843, Claim for Refund and Request for Abatement. Also, use Form 843 to request a refund of the penalty under section 6715 for misuse of dyed fuel.

## **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.

<b>No.</b>	<b>Type of use</b>
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 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 isn't used on a highway
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
15	In an aircraft or a vehicle owned by an aircraft museum
16	In military aircraft

**Claim requirements for lines 1–6 and lines 14b–14d.** The following requirements must be met.



1. The amount of the claim must be at least \$750 (combining amounts on lines 1, 2, 3, 4, 5, 6, 14b, 14c, and 14d). 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. Claims must be filed during the first quarter following the last quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.
3. Only one claim may be filed for any quarter.

4. The fuel must have been used for a nontaxable use during the period of claim.
5. The ultimate purchaser is the only person eligible to make the claim.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

***Exported taxable fuel.*** The claim rates for exported taxable fuel are listed on lines 1b, 2c, 3e, and 4d, and in the instructions for lines 14b and 14c. Taxpayers making a claim for exported taxable fuel must include with their records proof of exportation. Proof of exportation includes:

- A copy of the export bill of lading issued by the delivering carrier,
- A certificate by the agent or representative of the export carrier showing actual exportation of the fuel,

- A certificate of lading signed by a customs officer of the foreign country to which the fuel is exported, or
- A statement of the foreign consignee showing receipt of the fuel.

## **Line 1. Nontaxable Use of Gasoline**

**Allowable uses.** The gasoline must have been used during the period of claim for type of use 2, 4, 5, 7, or 12. For exported gasoline, see Exported taxable fuel, earlier. Type of use 2 doesn't include any personal use or use in a motorboat. **Line 2.**

## **Nontaxable Use of Aviation Gasoline**

**Allowable uses.** For line 2b, the aviation gasoline must have been used during the period of claim for type of use 9, 10, or 16. For exported aviation gasoline, see Exported taxable fuel, earlier.

For line 2d, the aviation gasoline must have been used during the period of claim for type

of use 9. This claim is made in addition to the claim made on line 2b for type of use 9.

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

**Caution:** Ultimate purchasers use line 3d to make claims for diesel used on a farm for farming purposes.

**Allowable uses.** For line 3a, the diesel must have been used during the period of claim for type of use 2, 6, 7, 8, or 12. For exported undyed diesel, see Exported taxable fuel, earlier. Type of use 2 doesn't include any personal use or use in a motorboat. Type of use 8 includes use as heating oil and use in a motorboat.

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

**Allowable uses.** For line 4a, the kerosene must have been used during the period of claim for type of use 2, 6, 7, 8, or 12. For exported undyed kerosene, see Exported

taxable fuel, earlier. Type of use 2 doesn't include any personal use or use in a motorboat. Type of use 8 includes use as heating oil and use in a motorboat.

For lines 4e and 4f, the kerosene must have been used during the period of claim for type of use 2.

## **Line 5. Kerosene Used in Aviation**

**Claimant.** For lines 5a and 5b, the ultimate purchaser of kerosene used in commercial aviation (other than foreign trade) is eligible to make this claim. For lines 5c, 5d, and 5e, the ultimate purchaser of kerosene used in noncommercial aviation (except for nonexempt, noncommercial aviation and exclusive use by a state, a political subdivision of a state, or the District of Columbia) is eligible to make this claim. Claimant certifies that the right to make the claim hasn't been waived.

**Allowable uses.** For lines 5a and 5b, the kerosene must have been used during the period of claim in commercial aviation. If the claimant buys kerosene partly for use in commercial aviation and partly for use in noncommercial aviation, see the rules in Notice 2005-80, section 3(e)(3).

For lines 5c and 5d, the kerosene must have been used during the period of claim for type of use 1, 9, 10, 11, 13, 15, or 16.

For line 5e, the kerosene must have been used during the period of claim for type of use 9. This claim is made in addition to the claim made on lines 5c and 5d for type of use 9.

## **Line 6. Nontaxable Use of Alternative Fuel**

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

**Allowable uses.** The alternative fuel must have been used during the period of claim for type of use 1, 2, 4, 5, 6, 7, 11, 13, 14, or 15.

**Type of use 5.** Enter "Bus" in the space to the left of the

"Type of use" column. Enter the correct claim rate in the "Rate" column. The claim rates for type of use 5 are listed below.

Line number	Claim rate: Type of use 5
6a	\$.109*
6b	.110
6c	.109**
6d	.110
6e	.17

6f	.17
6g	.169***
6h	.110
<p>* This is the claim rate per GGE (5.75 pounds or 1.353 gallons of LPG).</p> <p>** This is the claim rate per GGE (5.66 pounds or 123.57 cubic feet of CNG).</p> <p>*** This is the claim rate per DGE (6.06 pounds or 1.71 gallons of LNG).</p>	

***Type of use 5 example.*** 10,000 gallons of LPG  $\div$  1.353 = 7,391 GGE  $\times$  \$.109 = \$805.62 claim amount.

## **Information for Claims on Lines 7–11**

**Registration number.** To make an ultimate vendor claim on lines 7–11, you must be registered. Enter your registration number,



including the prefix (for prefixes, see the instructions for Form 637, Application for Registration), on the applicable line for your claim. If you aren't registered, use Form 637 to apply for a registration number.

**Required certificates or waivers.** The required certificates or waivers for lines 7–11 are listed in the line instructions and are available in Pub. 510.

### **Line 7a. Sales by Registered Ultimate Vendors of Undyed Diesel**

**Claimant.** For line 7a, the registered ultimate vendor of the diesel 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. See *Model Certificate P* in Pub. 510. Only one claim may be filed for any gallon of diesel.

**Allowable sales.** The fuel must have been sold during the period of claim for the

exclusive use by a state or local government (including essential government use by an Indian tribal government).

**Claim requirements.** The following requirements must be met.

1. The claim must be for diesel sold during a period that is at least 1 week. This requirement will generally be met for quarterly claims filed on Form 720.
2. The amount of the claim must be at least \$200. To meet this minimum requirement, amounts from lines 7, 8, and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849.

However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see Annual Claims, later.

**Registration number.** Enter your UV registration number in the space provided.

**Information to be submitted.** For claims on line 7a, attach a separate sheet with the name and TIN of each governmental unit to whom the diesel was sold and the number of gallons sold to each.

**Line 7b. Sales by Registered Ultimate Vendors of Undyed Diesel for Use in Certain Intercity and Local Buses**

**Claimant.** For line 7b, the registered ultimate vendor of the diesel is eligible to make a claim only if the buyer waives their right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver N* in Pub. 510. Only one claim may be filed for any gallon of diesel.

**Claim requirements.** The following requirements must be met.

1. The claim must be for diesel sold during a period that is at least 1 week. This requirement will generally be met for quarterly claims filed on Form 720.
2. The amount of the claim must be at least \$200. To meet this minimum requirement, amounts from lines 7, 8, and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

**Registration number.** Enter your UB registration number in the space provided.

**Lines 8a and 8b. Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene Sold for Use in Aviation)**

**Claimant.** For line 8a, the registered ultimate vendor of the 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. See *Model Certificate P* in Pub. 510. For line 8b, claimant has a statement, if required, that contains the date of sale, the name and address of the buyer, and the number of gallons of kerosene sold to the buyer. For lines 8a and 8b, only one claim may be filed for any gallon of kerosene.

**Allowable sales.** The fuel must have been sold during the period of claim:

- For line 8a, use by a state or local government (including essential government use by an Indian tribal government); or
- For line 8b, from a blocked pump.

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold during a period that is at least 1 week. This requirement will generally be met for quarterly claims filed on Form 720.
2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is

due June 30 if filed on Form 8849.  
However, Form 720 must be filed by  
April 30.

If requirements 1–3 above aren't met, see  
Annual Claims, later.

**Registration number.** Enter your UV or UP  
registration number in the space provided.

**Information to be submitted.** For claims  
on line 8a, attach a separate sheet with the  
name and TIN of each governmental unit to  
whom the kerosene was sold and the number  
of gallons sold to each.

**Line 8c. Sales by Registered Ultimate  
Vendors of Undyed Kerosene for Use in  
Certain Intercity and Local Buses**

**Claimant.** For line 8c, the registered ultimate  
vendor of the kerosene is eligible to make a  
claim only if the buyer waives their right to  
make the claim by providing the registered  
ultimate vendor with an unexpired waiver.

See *Model Waiver N* in Pub. 510. Only one claim may be filed for any gallon of kerosene.

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold during a period that is at least 1 week. This requirement will generally be met for quarterly claims filed on Form 720.
2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.



If requirements 1–3 above aren't met, see Annual Claims, later.

**Registration number.** Enter your UB registration number in the space provided.

**Lines 9a and 9b. Sales by Registered Ultimate Vendors of Kerosene for Use in Commercial Aviation (Other Than Foreign Trade)**

**Claimant.** The registered ultimate vendor of the kerosene sold for use in commercial aviation is eligible to make this claim only if the buyer waives their right by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver L* in Pub. 510. Only one claim may be filed for any gallon of kerosene sold for use in commercial aviation.

**Allowable sales.** The kerosene sold for use in commercial aviation must have been sold during the period of claim for use in commercial aviation (other than foreign trade).

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold for use in commercial aviation during a period that is at least 1 week. This requirement will generally be met for quarterly claims filed on Form 720.
2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

**Registration number.** Enter your UA registration number in the space provided.

**Lines 9c, 9d, 9e, and 9f. Sales by Registered Ultimate Vendors of Kerosene Sold for Use in Noncommercial Aviation**

**Claimant.** For line 9c, the registered ultimate vendor of the kerosene sold for use in nonexempt, noncommercial aviation is the only person eligible to make this claim, and the registered ultimate vendor has obtained the required certificate from the ultimate purchaser. See *Model Certificate Q* in Pub. 510. For lines 9d, 9e, and 9f, the registered ultimate vendor of the kerosene sold for nontaxable use in noncommercial aviation (foreign trade for line 9f) is eligible to make this claim only if the buyer waives their right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver L* in Pub. 510. For type of

use 14, see *Model Certificate P* in Pub. 510. Only one claim may be filed for any gallon of kerosene sold for use in noncommercial aviation.

**Allowable sales.** For line 9c, the kerosene must have been sold for a nonexempt use in noncommercial aviation. For lines 9d and 9e, the kerosene sold for use in noncommercial aviation must have been sold during the period of claim for type of use 1, 9, 10, 11, 13, 14, 15, or 16.

For line 9f, the kerosene sold for use in noncommercial aviation must have been sold during the period of claim for type of use 9. This claim is made in addition to the claim made on lines 9d and 9e for type of use 9.

**Claim requirements.** The following requirements must be met.

1. The claim must be for kerosene sold for use in noncommercial aviation during a period that is at least 1 week.

This requirement will generally be met for quarterly claims filed on Form 720.

2. The amount of the claim must be at least \$100. To meet this minimum, amounts from lines 8 and 9 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

If requirements 1–3 above aren't met, see *Annual Claims*, later.

**Registration number.** Enter your UA (UV if type of use 14) registration number in the space provided.

**Information to be submitted.** For claims on lines 9d and 9e (type of use 14), attach a separate sheet with the name and TIN of each governmental unit to whom the kerosene was sold and the number of gallons sold to each.

### **Lines 10 and 11. Sales by Registered Ultimate Vendors of Gasoline and Aviation Gasoline**

**Claimant.** The registered ultimate vendor of the gasoline or aviation gasoline is eligible to make a claim on lines 10 and 11 if the buyer waives their right to make the claim by providing the registered ultimate vendor with an unexpired certificate. See *Model Certificate M* in Pub. 510. Only one claim may be filed for any gallon of gasoline or aviation gasoline.

**Allowable sales.** The gasoline or aviation gasoline must have been sold during the period of claim for:

- Use by a nonprofit educational organization,
- or • Use by a state or local government (including essential government use by an Indian tribal government).

**Claim requirements.** The following requirements must be met.

1. The claim must be for gasoline or aviation gasoline sold or used during a period that is at least 1 week. This requirement will generally be met for quarterly claims filed on Form 720.
2. The amount of the claim must be at least \$200. To meet this minimum, amounts from lines 10 and 11 may be combined.
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for January and

February is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.

**Registration number.** Enter your UV registration number in the space provided.

**Information to be submitted.** For claims on lines 10 and 11, attach a separate sheet with the name and TIN of each nonprofit educational organization or governmental unit to whom the gasoline or aviation gasoline was sold and the number of gallons sold to each.

**Line 12. Reserved for Future Use**

**Line 13. Reserved for Future Use**

**Line 14. Other Claims**

For claims under section 6416(b)(2) relating to certain uses and resales of certain articles subject to manufacturer or retailer excise taxes, claimant certifies that it sold the article at a tax-excluded price, repaid the amount of tax to the ultimate vendor, or has obtained



the written consent of the ultimate vendor to make the claim; and has the required supporting information.

**Lines 14b and 14c. Exported Dyed Diesel, Exported Dyed Kerosene, and Exported Gasoline Blendstocks Taxed at \$.001**

**Caution:** Claimant is required to have the name and address of the person(s) who sold the fuel to the claimant, the dates of purchase, and, if exported, the required proof of export.

A claim may be made for dyed diesel or dyed kerosene exported in a trade or business during the period of claim. Claims for exported gasoline blendstocks taxed at \$.001 per gallon are made on line 14b. See Exported taxable fuel, earlier. The claim rate for each fuel is \$.001 per gallon.

**Caution:** Claims for exported gasoline blendstocks taxed at \$.184 per gallon are made on line 1b.

## **Line 14d. Diesel-Water Emulsion**

Generally, the claim rate for the nontaxable use of a diesel-water emulsion taxed at \$.198 (credit reference number (CRN) 309) is \$.197. The fuel must have been used during the period of claim for type of use 1, 2, 3, 5, 6, 7, 8, or 12. For type of use 5, the claim rate is \$.124 (CRN 309). For type of use 3 (exported), the claim rate is \$.198 (CRN 306) and is reported on line 14d.

The claim rate for undyed diesel taxed at \$.244 (CRN 310) and used to produce a diesel-water emulsion is \$.046 per gallon of diesel so used (blender claims). The claimant must attach a statement certifying that (a) the claimant produced a diesel-water emulsion containing at least 14% water; (b) the emulsion additive is registered by a U.S. manufacturer with the EPA under the Clean Air Act, section 211 (as in effect on March 31, 2003); (c) the claimant used undyed diesel taxed at \$.244 to produce the diesel-water

emulsion; and (d) the claimant sold or used the diesel-water emulsion in the blender's trade or business. The blender claimant must be registered by the IRS and must enter their registration number on line 14d and enter the applicable CRN.

**Claim requirements.** See *Claim requirements for lines 1–6 and lines 14b–14d*, earlier.

### **Line 14e. Registered Credit Card Issuers**

**Allowable sales.** The gasoline (CRN 362), aviation gasoline (CRN 324), diesel (CRN 360), kerosene (CRN 346), or kerosene for use in aviation (CRN 369) must have been purchased with a credit card issued to the ultimate purchaser during the period of claim:

- For gasoline or aviation gasoline, for the exclusive use by a state or local government (including essential government use by an Indian tribal government) or for the exclusive use

of a nonprofit educational organization; or

- For diesel, kerosene, or kerosene for use in aviation, for the exclusive use by a state or local government (including essential government use by an Indian tribal government).

**Claimant.** The registered credit card issuer is the only person eligible to make this claim if the credit card issuer:

1. Is registered by the IRS;
2. Hasn't collected the amount of tax from the ultimate purchaser or has obtained the written consent of the ultimate purchaser to make the claim;
3. Certifies that it has repaid or agreed to repay the amount of tax to the ultimate vendor, has obtained the written consent of the ultimate vendor to make the claim, or has otherwise made arrangements which directly or

indirectly provide the ultimate vendor with reimbursement of the tax; and

4. Has in its possession an unexpired certificate from the ultimate purchaser and has no reason to believe any of the information in the certificate is false. See *Model Certificate R* in Pub. 510.

If any one of these conditions isn't met, the credit card issuer must collect the tax from the ultimate purchaser and only the ultimate purchaser can make the claim.

**Claim requirements.** The following requirements must be met.

1. The claim must be for gasoline, aviation gasoline, diesel, kerosene, or kerosene for use in aviation sold during a period that is at least 1 week. This requirement will generally be met for quarterly claims filed on Form 720.

2. The amount of the claim must be at least \$200 (\$100 for kerosene or kerosene for use in aviation).
3. Claims must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year income taxpayer's claim for the first quarter is due June 30 if filed on Form 8849. However, Form 720 must be filed by April 30.
4. The claimant must enter its registration number on line 14e, the amount of the claim, and the applicable CRN (see Allowable sales, earlier). If the claim is for more than one fuel, use the blank lines 14i–14k, or attach a separate sheet listing the fuels, amounts, and CRNs.

If requirements 1–3 above aren't met, see Annual Claims, later. However, annual claims

can't be made for gasoline and aviation gasoline.

**Claim rates.** The claim rates are shown below.

CRN	Claim rate
324	\$.193
346	.243
360	.243
362	.183
369	.218

## Annual Claims

If a claim on lines 1–9 or 14b–14e wasn't made for any gallons, an annual claim may be made (exception: alternative fuel mixtures

produced after December 31, 2011). 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 a mixture, or used in mobile machinery. See Form 4136 for more information.

### **Lines 14f–14h. Tire Credits**

A credit or refund (without interest) is allowable on tax-paid tires if the tires have been:

- Exported;
- Sold to a state or local government for its exclusive use;
- Sold to a nonprofit educational organization for its exclusive use;
- Sold to a qualified blood collector organization for its exclusive use in connection with a vehicle the



organization certifies will be primarily used in the collection, storage, or transportation of blood;

- Used or sold for use as supplies for vessels; or
- Sold in connection with qualified intercity, local, or school buses.

Also, a credit or refund (without interest) is allowable on tax-paid tires sold by any person on, or in connection with, any other article that is sold or used in an activity listed above.

The person who paid the tax is eligible to make the claim and must include:

- A detailed description of the claim,
- Any additional information required by the regulations,
- How the claim amount was figured,
- Any other information to support the claim, and

- The number of tires claimed for each CRN.

**Claim requirement.** Generally, the claim must be filed within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever is later.

### **Lines 14i–14k. Other Claims**

**Caution:** Don't use lines 14i–14k to make communications tax claims for nontaxable services. See Communications Taxes, earlier.

Use lines 14i–14k for claims relating to taxes listed in the table under Claim requirement below. See Pub. 510 for information on allowable claims relating to these taxes. If you need additional space, attach another sheet(s). You must include the following information for each claim.

- A detailed description of the claim.
- Any additional information required by the regulations.

- The amount of the claim.
- How you figured the claim amount.
- Any other information to support the claim.

**Claim requirement.** Generally, the claim must be filed within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever is later.

<b>Tax</b>	<b>CRN</b>
Ozone-depleting chemicals (ODCs)	398
Chemicals (other than ODCs)	454
Imported chemical substances	317
ODC tax on imported products	349

Truck, trailer, and semitrailer chassis and bodies, and tractors	383
Passenger vehicles (luxury tax)	392
Gas guzzler automobiles	340
Vaccines	397
Sport fishing equipment	341
Fishing rods and fishing poles	308
Fishing tackle boxes	387
Electric outboard motors	342
Bows, quivers, broadheads, and points	344
Arrow shafts	389

## **The Taxpayer Advocate Service (TAS) Is Here To Help You**

**What is TAS?** TAS is an *independent* organization within the Internal Revenue Service (IRS) that helps taxpayers and protects taxpayer rights. TAS strives to ensure that every taxpayer is treated fairly and that you know and understand your rights under the [Taxpayer Bill of Rights](#).

**What can TAS do for you?** TAS can help you if your tax problem is causing a financial difficulty, you've tried and been unable to resolve your issue with the IRS, or you believe an IRS system, process, or procedure just isn't working as it should. And the service is free. If you qualify for TAS assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing a financial difficulty for you, your family, or your business.
- You face (or your business is facing) an immediate threat of adverse action.
- You've tried to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

## **How can you learn about your taxpayer rights?** The

Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. Go to

[TaxpayerAdvocate.IRS.gov](https://taxpayeradvocate.irs.gov) to help you understand what these rights mean to you and how they apply. These are ***your*** rights. Know them. Use them.

**How can you reach TAS?** TAS has offices in [\*every state, the District of Columbia, and Puerto Rico\*](#). To find your advocate's number:

- Go to [TaxpayerAdvocate.IRS.gov/Contact-Us](https://TaxpayerAdvocate.IRS.gov/Contact-Us);
- Download Publication 1546, Taxpayer Advocate Service Is your Voice at the IRS. If you don't have Internet access, you can call the IRS toll free at 800-TAX-FORM (800-829-3676) and ask for a copy of Pub. 1546;
- Check your local directory; or
- Call TAS toll free at 877-777-4778.

## **How can you learn about your taxpayer rights?** The

Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. The TAS website

[TaxpayerAdvocate.IRS.gov](https://TaxpayerAdvocate.IRS.gov) can help you understand what these rights mean to you and how they apply. These are ***your*** rights. Know them. Use them.

**How else does TAS help taxpayers?** TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, please report it to them at [IRS.gov/SAMS](https://www.irs.gov/SAMS). Be sure to include any personal taxpayer information.

**Privacy Act and Paperwork Reduction Act Notice.** We ask for the information on these forms in order to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax. Miscellaneous excise taxes are imposed under subtitle D of the Internal Revenue Code. These forms are used to determine the amount of tax that you owe. Section 6011 requires you to provide the requested information. Section 6109 requires you to provide your identifying number. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. commonwealths and



territories 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 and intelligence agencies to combat terrorism. Failure to provide this information in a timely manner or providing false or fraudulent information may subject you to penalties.

You aren't 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 these forms and related schedules will vary depending on individual circumstances. The estimated average times are:

<b>Form</b>	<b>Recordkeeping</b>	<b>Learning about the law or the form</b>	<b>Preparing, coping, assembling, and sending the form to the IRS</b>
720	8 hr., 59 min.	1 hr., 5 min.	2 hr., 3 min.
720-W	6 hr., 13 min.	0 hr., 18 min.	0 hr., 24 min.

**Comments and suggestions.** We welcome your comments about this publication and your suggestions for future editions. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments). Or you can write to:

Internal Revenue Service  
Tax Forms and Publications  
1111 Constitution Ave. NW  
IR-6526  
Washington, DC 20224

Although we can't respond individually to each comment received, we do appreciate your feedback and will consider your comments and suggestions as we revise our tax forms, instructions, and publications. **Do not** send tax questions, tax returns, or payments to the above address.

**Ordering forms and publications.** Go to [IRS.gov/Forms](https://www.irs.gov/Forms) to download forms and publications. Otherwise, you can go to [IRS.gov/OrderForms](https://www.irs.gov/OrderForms) to order forms. Call 800-829-3676 to order prior-year forms and

instructions. The IRS will process your order for forms and publications as soon as possible. Do not resubmit requests you've already sent us. You can get forms and publications faster online.

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