

Note: *The draft you are looking for begins on the next page.*



Caution: DRAFT—NOT FOR FILING

This is an early release draft of an IRS tax form, instructions, or publication, which the IRS is providing for your information. **Do not file draft forms** and do **not** rely on draft forms, instructions, and publications for filing. We do **not** release draft forms until we believe we have incorporated all changes (except when explicitly stated on this coversheet). However, unexpected issues occasionally arise, or legislation is passed—in this case, we will post a new draft of the form to alert users that changes were made to the previously posted draft. Thus, there are never any changes to the last posted draft of a form and the final revision of the form. Forms and instructions generally are subject to OMB approval before they can be officially released, so we post only drafts of them until they are approved. Drafts of instructions and publications usually have some changes before their final release.

Early release drafts are at [IRS.gov/DraftForms](https://www.irs.gov/DraftForms) and remain there after the final release is posted at [IRS.gov/LatestForms](https://www.irs.gov/LatestForms). All information about all forms, instructions, and pubs is at [IRS.gov/Forms](https://www.irs.gov/Forms).

Almost every form and publication has a page on IRS.gov with a friendly shortcut. For example, the Form 1040 page is at [IRS.gov/Form1040](https://www.irs.gov/Form1040); the Pub. 501 page is at [IRS.gov/Pub501](https://www.irs.gov/Pub501); the Form W-4 page is at [IRS.gov/W4](https://www.irs.gov/W4); and the Schedule A (Form 1040/SR) page is at [IRS.gov/ScheduleA](https://www.irs.gov/ScheduleA). If typing in a link above instead of clicking on it, be sure to type the link into the address bar of your browser, not a Search box.

If you wish, you can submit comments to the IRS about draft or final forms, instructions, or publications at [IRS.gov/FormsComments](https://www.irs.gov/FormsComments). We cannot respond to all comments due to the high volume we receive and may not be able to consider many suggestions until the subsequent revision of the product.

If you have comments on reducing paperwork and respondent (filer) burden, with respect to draft or final forms, please respond to the relevant information collection through the Federal Register process; for more info, click [here](#).

Type or Print	Name (as shown on Form 720)	Employer identification number (EIN)
	Number, street, and room or suite no. (If you have a P.O. box, see the instructions.)	Telephone number (optional)
	City or town, state or province, country, and ZIP or foreign postal code	

1 Adjustments to Liability Reported on Previously Filed Forms 720

(a) Quarter ending	(b) IRS No.	(c) Tax	(d) Tax as originally reported on Form 720 or as previously adjusted	(e) Adjusted tax	(f) Change (subtract col. (d) from col. (e))

2 Adjustments to Form 720, Schedule C (see instructions for allowable adjustments)

(a) Quarter ending	(b) CRN	(c) Credit	(d) Credit as originally reported on Form 720 or as previously adjusted	(e) Adjusted credit	(f) Change (subtract col. (e) from col. (d))

3 Statement in Support of Adjustment. For tax decreases only, indicate below the statement that applies to the adjustment.

- a** For IRS Nos. 22, 26, 28, or 27, only collectors using the regular method for deposits check the box below.
 - The claimant has repaid the amount of the tax to the person from whom it was collected or has obtained the consent of that person to the allowance of the adjustment.
- b** For all other IRS Nos. except for 18, 21, 98, 19, 29, 31, 30, 133, 64, 125, 51, 117, and 20, or if the tax was based on use for 71, 79, 112, 118, 120–124, 61, and 101, check the box below.
 - The claimant hasn't included the tax in the price of the article and hasn't collected the tax from the purchaser, has repaid the tax to the ultimate purchaser, or has attached the written consent of the ultimate purchaser to the allowance of the adjustment.

4 Total adjustments. Combine all amounts in column (f) for lines 1 and 2 and enter the amount here

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If the result is a **balance due**, pay the amount with this return. Enclose a check or money order with Form 720-X and make it payable to "United States Treasury." Write on the check or money order: "Form 720-X," your name, address, EIN, and the date Form 720-X was signed. Complete line 6.

If the result is an **overpayment**, complete lines 5 and 6.

5 Check if you want the overpayment:

- a** Refunded to you.
- b** Applied to your next Form 720. Enter quarter ending date. ► _____
See Form 720 for how to apply your overpayment.

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 720-X and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form720X.

General Instructions

What's New

Section 6426 credit extensions and clarification:

- **Biodiesel.** The biodiesel and renewable diesel mixture credit is retroactively extended for fuel sold or used in 2018 through 2022.
- **Alternative fuel.** The alternative fuel credit is retroactively extended for fuel sold or used in 2018 through 2020.
- **Alternative fuel mixtures.** The alternative fuel mixture credit is extended retroactively for fuel sold or used in 2018 through 2020. For claims made on or after January 8, 2018, "alternative fuel mixture" means a mixture of taxable fuel and alternative fuel other than liquefied petroleum gas (LPG), compressed natural gas (CNG), liquefied natural gas (LNG), liquefied gas derived from biomass, and compressed gas derived from biomass.

Purpose of Form

Use Form 720-X to make adjustments to liability reported on Forms 720 you have filed for previous quarters. Don't use Form 720-X to make changes to claims made on Form 720, Schedule C, except for the section 4051(d) tire credit and section 6426 credits.



You must include in gross income (income tax return) any overpayment from line 4 of Form 720-X 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, *Excise Taxes*, for more information.

When To File

Generally, adjustments that decrease your tax liability for a prior quarter must be made within 3 years from the time the return was filed or 2 years from the time the tax was paid, whichever is later.

Where To File

If you're filing Form 720-X separately, send Form 720-X to:

Department of the Treasury
Internal Revenue Service
Cincinnati, OH 45999-0009

Otherwise, attach Form 720-X to your next Form 720.

Private delivery services. You can use certain private delivery services (PDS) designated by the IRS to meet the "timely mailing as timely filing" rule for tax returns. Go to www.irs.gov/PDS for the current list of designated services. The PDS can tell you how to get written proof of the mailing date. For the IRS mailing address to use if you're using PDS, go to www.irs.gov/PDSstreetAddresses.



Private delivery services can't 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.

Specific Instructions

P.O. Box. If the post office doesn't deliver mail to the street address and you have a P.O. Box, show the box number instead of the street address.

Foreign address. Don't abbreviate the country name. Follow the country's practice for entering the postal code and the name of the province, country, or state.

Line 1

Report each adjustment separately on line 1. You can use line 6 for your explanation or you can attach additional sheets with your name and EIN as needed.

Column (a). Enter the quarter ending date of the Form 720 you're amending. If you're amending more than one quarter, make sure each quarter is clearly identified. Enter the date in the MMDDYYYY format. For example, if you're adjusting the first quarter return for 2020, enter "03312020."

Column (d). Enter the tax amount for the IRS No. entered in column (b) as originally reported on Form 720 or as later adjusted by you or the IRS.

Column (e). Enter the adjusted tax liability that should have been reported for the IRS No. in column (b).

Column (f). If column (e) is greater than column (d), subtract column (d) from column (e). This is an increase. If column (d) is greater than column (e), subtract column (e) from column (d). This is a decrease. Show the decrease in parentheses.

Line 2

Section 4051(d) tire credit. You must use line 2 to report any adjustment to the section 4051(d) tire credit for a prior quarter. For example, if you report an additional taxable vehicle on line 1 for IRS No. 33, the applicable tire credit is reported on line 2. Enter CRN 366 in column 2(b). See the Instructions for Form 720 for more information.

Section 6426 credits. You must use line 2 to report any adjustment to section 6426 credits, if (a) you're reporting a change to certain taxable fuel liability (section 4081 liability in the case of mixtures or section 4041 liability in the case of alternative fuel) on line 1, or (b) you were unable to claim the credits against the section 4041 or 4081 liability on a prior Form 720 because you weren't registered. Section 6426 credits include the biodiesel or renewable diesel mixture credit, alternative fuel credit, and alternative fuel mixture credit. Use a separate line for each adjustment. Enter the CRN from the table below in column 2(b). You must also complete line 6.

Credit	CRN	Credit Rate
<i>Biodiesel or renewable diesel mixture credit</i>		
Biodiesel (other than agri-biodiesel) mixtures	388	1.00
Agri-biodiesel mixtures	390	1.00
Renewable diesel mixtures	307	1.00
<i>Alternative fuel credit and alternative fuel mixture credit</i>		
Liquefied petroleum gas (LPG)*	426	.50
"P Series" fuels	427	.50
Compressed natural gas (CNG)*	428	.50
Liquefied hydrogen	429	.50
Any liquid fuel derived from coal (including peat) through the Fischer-Tropsch process	430	.50
Liquid fuel derived from biomass	431	.50
Liquefied natural gas (LNG)*	432	.50
Liquefied gas derived from biomass*	436	.50
Compressed gas derived from biomass*	437	.50

*See *What's New*, under *Alternative fuel mixtures* for this fuel.

Line 3a

Collectors using the alternative method for deposits must adjust their separate accounts for any credits or refunds made to customers of the collector. Form 720-X can't be used for this purpose. For more information, see *Alternative method* in the Instructions for Form 720.

Line 5

If you want your overpayment refunded to you, check the box for line 5a.

If you want your overpayment applied to your next Form 720, check the box for line 5b and enter the quarter ending date of your next Form 720. You can file Form 720-X separately or you can attach it to your next Form 720.

Caution. If you checked the box on line 5b, be sure to include the overpayment amount on lines 6 and 7 on your next Form 720. See Form 720 for details. If you owe other federal tax, interest, or penalty, the overpayment will first be applied to the unpaid amounts.

Line 6

You can use line 6 for your explanation or you can attach additional sheets with your name and EIN as needed.

Adjustments on line 1. For each adjustment, you must include a detailed description of the adjustment and the computation of the amount.

Adjustments on line 2. Any section 6426 credits must first be applied against your section 4041 or 4081 liability. To make an adjustment, you must follow the instructions for lines 12, 13, and 14 in the Instructions for Form 720 (Rev. January 2020). For each adjustment you must attach a detailed explanation of the adjustment, including your registration number, and the computation of the amount. Your computation must include the number of gallons (or gasoline gallon equivalents) and credit rate (as shown above). You must include any information that is requested in the Instructions for Form 720 (Rev. January 2020), for Form 720, lines 12, 13, and 14.

For example, the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller must be attached to Form 720-X if it's the first claim filed that is supported by the certificate or statement. See the Instructions for Form 720 (Rev. January 2020) for more information.

Certifications. On line 6 or a separate sheet of paper, you must include the applicable statement shown below.

Biodiesel mixture credit. Claimant produced a mixture by mixing biodiesel with diesel fuel. The biodiesel used to produce the mixture met ASTM D6751 and met EPA's registration requirements for fuels and fuel additives. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, the Statement of Biodiesel Reseller.

Renewable diesel mixture credit. Claimant produced a mixture by mixing renewable diesel with liquid fuel (other than renewable diesel). The renewable diesel used to produce the renewable diesel mixture was derived from biomass, met EPA's registration requirements for fuels and fuel additives, and met ASTM D975, D396, or other equivalent standard approved by the IRS. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller, both of which have been edited as discussed in the Instructions for Form 720 (Rev. January 2020).

Alternative fuel mixture credit. Claimant produced a mixture by mixing taxable fuel with alternative fuel. Claimant certifies that it (a) produced the alternative fuel, or (b) has in its possession the name, address, and EIN of the person(s) that sold the alternative fuel to the claimant; the date of purchase; and an invoice or other documentation identifying the amount of the alternative fuel. The claimant also certifies that it made no other claim for the amount of the alternative fuel, or has repaid the amount to the government. The alternative fuel mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant.

Signature

Form 720-X must be signed by a person authorized by the entity to sign this return. You must sign Form 720-X even if it's filed with Form 720 to apply an overpayment.

Paid Preparer Use Only

A paid preparer must sign Form 720-X and provide the information in the Paid Preparer Use Only section at the end of the form if the preparer was paid to prepare the form and isn't an employee of the filing entity. Paid preparers must sign paper forms with a manual signature. The preparer must give you a copy of the form in addition to the copy to be filed with the IRS.

If you're a paid preparer, enter your Preparer Tax Identification Number (PTIN) in the space provided. Include your complete address. If you work for a firm, you also must enter the firm's name and the EIN of the firm. However, you can't use the PTIN of the tax preparation firm in place of your PTIN.

You can apply for a PTIN online or by filing Form W-12, IRS Paid Preparer Tax Identification Number (PTIN) Application and Renewal. For more information about applying for a PTIN online, visit the IRS website at www.irs.gov/PTIN.