

Computation of Credit for Federal Tax on Gasoline and Lubricating Oil

1966

Attach this form to your income tax return for calendar year 1966

or other taxable year beginning _____, 1966, ending _____, 19_____

Name (as shown on page 1 of your tax return) _____

Address (number and street or rural route) _____

City, town or post office, and State _____

ZIP code _____

Type of Use	Gasoline			Lubricating Oil		
	Number of Gallons Used (A)	Rate of Tax (B)	Column (A) Multiplied by Column (B) (C)	Number of Gallons Used (D)	Rate of Tax (E)	Column (D) Multiplied by Column (E) (F)
1 Nonhighway:						
a. Farms . . . . .		.04	\$.....		.06	\$.....
b. Motorboat . . . . .		.02	.....		.06	.....
c. Aviation . . . . .		.02	.....		.06	.....
d. Other (specify) .....		.02	.....		.06	.....
2 Local transit systems* . . . . .		.02				
3 Totals			\$.....			\$.....
4 Total credit claimed (sum of line 3, columns (C) and (F))						\$.....

*Attach a statement with the information required under section 6421 of the Internal Revenue Code and Regulations thereunder. List qualifying "lubricating oil" (see Instruction E) in line 1d column D.

INSTRUCTIONS

A. Who May File.—Any individual, estate, trust, or corporation, including a small business corporation, claiming credit for Federal excise tax on the number of gallons of gasoline and lubricating oil used must file and attach this form to the income tax return. Partnerships are not required to file this form because the credit for Federal excise tax on gasoline and lubricating oil used is claimed by the partners. However, partnerships must attach a statement to their returns, Form 1065, showing the allocation of the number of gallons used of gasoline and lubricating oil to the partners by the type of use as shown above.

Special refund provisions are available, if the credit for any of the first three quarters of your taxable year amounts to \$1,000 or more (see Instruction D).

B. Period Covered:

(1) *Calendar Year Taxpayers.*—Enter in the appropriate line the number of gallons of gasoline used after June 30, 1965, and before January 1, 1967, and the number of gallons of lubricating oil used after December 31, 1965, and before January 1, 1967.

(2) *Fiscal Year Taxpayers.*—For years beginning after January 1, 1966, and before July 1, 1966, enter the number of gallons of gasoline used after June 30, 1965, through the end of your taxable year; for taxable years beginning on or after July 1, 1966, enter the number of gallons of gasoline used during your taxable year.

For years beginning after January 1, 1966, enter the number of gallons of lubricating oil used after December 31, 1965, through the end of your taxable year.

C. Must Be Timely Filed For Credit on Income Tax Return.—No credit will be allowed on Form 4136 unless claimed on a timely filed income tax return (including any extension).

D. Quarterly Tax Refund of \$1,000 or More.—For any of the first three quarters of your taxable year, a claim, Form 843, may be filed for: (a) refund of tax of \$1,000 or more for gasoline used (except for farmers), or (b) refund of tax of \$1,000 or more for lubricating oil used. However, no claim will be allowed unless filed on or before the last day of the following quarter. A claim for both gasoline and lubricating oil should provide separate computations following the format as shown above.

E. What Lubricating Oil To Include.—A credit may be claimed for lubricating oil (other than cutting oils and other than oil which has previously been used) which is used otherwise than in a highway motor vehicle. Cutting oils are those oils which are sold for use in cutting and machining operation (including forging, drawing, rolling, shearing, punching, and stamping) on metals. Examples of uses of lubricating oil otherwise than in a highway motor vehicle are oiling plant machinery and lubricating vehicles other than highway motor vehicles, such as bulldozers, power shovels, farm tractors, etc.

Do not include oil: (a) used in a highway motor vehicle, such as a truck, even if it is operated off the highway, (b) sold free of the Federal excise tax on lubricating oil, such

as transformer or insulating oil, certain motor fuel additives, crude neatsfoot oil, castor oil, or oils purchased excise-tax-free by use of an exemption certificate, or (c) for which a refund has been claimed on a timely filed Form 843 for any of the first three quarters of your taxable year (see Instruction D).

F. What Gasoline To Include.

1. Farmers.—A credit may be claimed for Federal excise tax on gasoline used for farming purposes (must be a trade or business) on a farm located in the United States.

The term "farm" includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses, or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

Gasoline shall be treated as used for farming purposes only if used by the owner, tenant, or operator of a farm in connection with—

(a) cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife, on a farm of which he is the owner, tenant, or operator; except that if such use is by any person other than the owner, tenant, or operator of such farm, then the owner, tenant, or operator of the farm on which gasoline is used shall be treated as the user and ultimate purchaser of such gasoline;

(b) handling, drying, packing, grading, or storing any agricultural or horticultural commodity in its unmanufactured state; but only if such owner, tenant, or operator produced more than one-half of the commodity which he so treated during the period with respect to which claim is filed;

(c) the planting, cultivation, caring for, or cutting of trees, or the preparation (other than milling) of trees for market, incidental to farming operations; or

(d) the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment.

Do not include gasoline used: (1) on the highway; (2) in processing, packaging, freezing, or canning operations; (3) for personal or other nonfarming purposes; or (4) on the farm of another person even though used for farming purposes (for example—a custom operator).

In many instances a vehicle will be used both on the farm for farming purposes and for nonfarming purposes. In

such cases an allocation of the gasoline used must be made in arriving at the total gallons of gasoline used on the farm.

2. Nonhighway Uses.—If gasoline is used otherwise than as a fuel in a highway vehicle (1) which (at the time of such use) is registered, or is required to be registered, for highway use under the laws of any State or foreign country, or (2) which, in the case of a highway vehicle owned by the United States, is used on the highway, such gasoline is regarded as having been used for a nonhighway purpose.

Do not include gasoline used for which a refund has been claimed on a timely filed Form 843 for any of the first three quarters of your taxable year (see Instruction D).

3. Local Transit Systems.—If gasoline is used during any calendar quarter in vehicles while engaged in furnishing scheduled common carrier public passenger land transportation service along regular routes, the ultimate purchaser of the gasoline may claim a credit for the amount determined by multiplying—

(a) 2 cents for each gallon of gasoline so used by

(b) the percentage which the ultimate purchaser's commuter fare revenue derived from such scheduled service during such quarter was of his total passenger fare revenue derived from such scheduled service during such quarter.

A credit for Federal excise tax may be claimed for gasoline used by a local transit system during any calendar quarter only if at least 60 percent of the total passenger fare revenue derived during such quarter from scheduled service described above by the person filing the claim was attributable to commuter fare revenue derived during such quarter by such person from such scheduled service.

Commuter fare revenue means revenue attributable to fares derived from the transportation of persons and attributable to—(a) amounts paid for transportation which do not exceed 60 cents, (b) amounts paid for commutation or season tickets for single trips of less than 30 miles, or (c) amounts paid for commutation tickets for 1 month or less.

Do not include gasoline used for which a refund has been claimed on a timely filed Form 843 for any of the first three quarters of your taxable year (see Instruction D).

G. Additional Information.—See Internal Revenue Service Publications No. 308, Farmers Gas Tax Credit, and No. 378, Federal Gas Tax Credit or Refund for Nonhighway and Transit Users.