Form **4136**

Department of the Treasury
Internal Revenue Service

Computation of Credit for Federal Tax on Gasoline and Special Fuels

▶ **Attach this form to your income tax return.**

OMB No. 1545-0162

1984
25

Name (as shown on your income tax return)

Social security or employer identification number

Type of Use	Gasoline and Gasohol, Diesel Fuel, and Other Special Motor Fuels		
	A. Number of Gallons Used	**B. Rate of Tax**	**C. Multiply Column A by Column B**
1 Qualified diesel-powered highway vehicles (See instruction E.)			$
2 Nonhighway:			
a Farm (for farming purposes) (Ground applicators of agricultural substances, see instruction C.1.):			
(i) Gasoline		.09	
(ii) Diesel fuel		.09/.15	$
(iii) Special fuels		.09	

- The applicator is the ultimate purchaser of the gasoline; and
- The farm owner, tenant, or operator agrees not to be treated as the user and ultimate purchaser of the gasoline.

The following tasks are considered farming:

(a) Cultivating the soil, and raising or harvesting any horticultural or agricultural commodity. This includes raising livestock, bees, poultry, fur-bearing animals, and wildlife.

(b) Handling, drying, packing, grading, or storing any horticultural or agricultural commodity before manufacture, but only if the owner, tenant, or operator produced more than half of the commodity treated.

(c) Planting, cultivating, or cutting trees, or preparing them for market. This does not include milling the lumber.

(d) Operating, managing, conserving, improving, or maintaining the farm and its tools and equipment.

Gasoline is not considered used by you for farming under the following conditions:

(a) It is used off the farm to transport livestock, feed, crops, or equipment.

(b) It is used in processing, packaging, freezing, or canning operations.

(c) It is used for personal purposes.

(d) It is used on the farm of another person, even though used for farming.

Often a vehicle is used on the farm both for farming and for nonfarming purposes. In these cases, show the number of gallons of gasoline used for each purpose when claiming a credit.

2. Commercial Fishing Vessel Use.—You may claim a credit for tax paid on gasoline used in a commercial fishing vessel in the amount of 9¢ a gallon. A commercial fishing vessel is one used in the fisheries or whaling business and used:

- Exclusively for catching shrimp and other types of aquatic life for sale commercially as bait; or
- On specific trips exclusively for catching fish to be sold commercially.

3. Off-highway Business Uses.—You may claim a credit for tax paid on gasoline used for off-highway business purposes in the amount of 9¢ a gallon. Off-highway business use does not include gasoline used in a motorboat that is not a commercial fishing vessel, or in a highway vehicle that either:

- Is registered or required to be registered for highway use under the laws of any State, the District of Columbia, or foreign country; or
- Is owned by the United States and is used on the highway.

4. Intercity, Local, or School Bus Uses.— If you are the ultimate purchaser of gasoline for a bus that provides transportation (1) to the general public for a fee or (2) to students and school employees, you may claim a credit for tax paid on gasoline used for this service in the amount of 9¢ a gallon.

If you provide transportation on intercity and local buses on nonscheduled irregular routes, you may take the credit only if the seating capacity of the bus is at least 20 adults, not including the driver.

5. Gasoline/Alcohol Mixture.—You may claim a credit for tax paid on gasoline that you used to produce a gasoline/alcohol mixture which was sold or used in your trade or business. The credit is 4⅝ ¢ (.0456) a gallon if you paid 9¢ a gallon. After 12/31/84, the credit is 5⅔¢ (.0566) a gallon.

6. Qualified Taxicab Use.—The ultimate purchaser may claim a credit for tax paid on gasoline used before October 1, 1985, in a qualified taxicab providing qualified taxicab service in the amount of 4¢ a gallon.

A qualified taxicab is a land vehicle that holds fewer than 10 adults including the driver. For 1978 and later model years, the vehicle model must have a fuel economy rating better than the average fuel economy standard for the model year (18 mpg for 1978 models, 19 mpg for 1979, 20 mpg for 1980, 22 mpg for 1981, 24 mpg for 1982, 26 mpg for 1983, 27 mpg for 1984 and 27½ mpg for 1985). A taxicab is qualified if the vehicle received or could have received an exemption from the fuel economy standard for the model year. Fuel economy standards do not apply for vehicles acquired before 1979.

Qualified taxicab service means furnishing nonscheduled land transportation for a fixed fee in a qualified taxicab. The person operating the taxicab must be properly licensed as a taxicab driver and must not be prohibited from furnishing ride-sharing.

7. Farming, Commercial, or Helicopter Aviation Uses.—You may claim a credit for tax paid on aviation gasoline used in farming, commercial, or certain helicopter aviation uses in the amount of 12¢ a gallon.

See C.1. for the definition of farm use.

Commercial aviation is the use of an aircraft in a business of carrying people or property by air for pay. The use of an aircraft may be considered noncommercial aviation if the aircraft:

(a) Has a maximum certificated takeoff weight of 6,000 pounds or less and is not operated on an established line; or

(b) Is owned or leased by a member of an affiliated group and is not available for hire to nonmembers.

Helicopter uses are:

(a) Transporting individuals, equipment, or supplies in the exploration for, or the development or removal of, hard minerals, or after 3/31/84, the exploration for oil or gas, or

(b) The planting, cultivation, cutting, or transportation of, or caring for, trees (including logging operations)

but only if the helicopter does not take off from, or land at, a facility eligible for assistance under the Airport and Airway Development Act of 1970, or otherwise use services provided pursuant to the Airport and Airway Improvement Act of 1982 during such use.

D. What Special Fuels To Include.—

1. Definitions of Special Fuels.—

(a) Diesel Fuel.—This fuel is a liquid that is:

(1) Sold for use in a diesel-powered highway vehicle; or

(2) Used for fuel in a diesel-powered highway vehicle unless there was a taxable sale of the fuel under (1) above.

(b) Special Motor Fuels.—These fuels include benzol, benzene, naphtha, liquefied petroleum gas, casing head and natural gasoline and other liquid, except kerosene, gas oil, fuel oil, diesel fuel, or any product taxable under section 4081. Special motor fuels must be:

(1) Sold for use as a fuel in a motor vehicle or motorboat; or

(2) Used for fuel in a motor vehicle or motorboat. (This use is not taxable if there was a taxable sale of the fuel under (1) above.)

(c) Diesel/Alcohol Mixture.—You may claim a credit for tax paid on diesel fuel that is later used in a mixture of diesel fuel and alcohol if it is at least 10% alcohol. The allowable credit is 5 ¢ a gallon if purchased before 8/1/84, 11¢ a gallon if purchased after 7/31/84, and 6¢ a gallon if purchased after 12/31/84.

(d) Special Fuel/Alcohol Mixture.—You may claim a credit for tax paid on special fuels that is later used in a mixture of a special fuel and alcohol if it is at least 10% alcohol. The allowable credit is 5¢ a gallon if purchased before 1/1/85 and 6¢ a gallon if purchased after12/31/84.

2. Uses of Special Fuels.—

(a) Farm Use.—You may claim a credit for tax paid on diesel fuel in the amount of 9¢ or 15¢, whichever paid, a gallon that was for farm use. You may claim a credit for tax paid on special motor fuels in the amount of 9¢ a gallon. See instruction C.1. for definition of farm use.

(b) Commercial Fishing Vessel Use.—You may claim a credit for tax paid on diesel fuel in the amount of 9¢ a gallon if purchased before 8/1/84, and 15¢ a gallon if purchased after 7/31/84.You may claim a credit for tax paid on special motor fuels in the amount of 9¢ a gallon. See instruction C.2. for definition of commercial fishing vessel use.

(c) Intercity, Local, or School Bus Uses.—You may claim a credit for tax paid on diesel fuel in the amount of 9¢ a gallon if purchased before 8/1/84 and 12¢ a gallon if purchased after 7/31/84.

Qualified local buses may claim a credit of 15¢ a gallon for tax paid on diesel fuel purchased after 7/31/84. A "qualified local bus" is any local bus which has a seating capacity of at least 20 adults (not including the driver), and which is under contract (or is receiving more than a nominal subsidy) from any State or local government to furnish such transportation. You may claim a credit for tax paid on special motor fuels in the amount of 9¢ a gallon. See instruction C.4. for definition of intercity, local, and school bus uses.

(d) Qualified Taxicab Use.—You may claim a credit for tax paid on fuels in the amount of 4¢ a gallon. See C.6. for definition of qualified taxicab use.

(e) Farming, Commercial, or Helicopter Aviation Uses.—You may claim a credit for tax paid on fuels in the amount of 14¢ a gallon that were for farming, commercial, or helicopter aviation uses. See instruction C.1. for definition of farming uses and instruction C.7. for definition of commercial or helicopter aviation uses.

(f) Nontaxable Uses.—Diesel and Special Motor Fuel.—These fuels (defined in D.1.) may qualify for a credit in any of the following cases:

- You resold the fuel.
- You used the fuel for a nontaxable purpose.
- You used the fuel for a purpose that was not the one you bought it for. This other purpose must make a lower tax rate apply.

If any of these three conditions exist, claim as a credit the figure you get by subtracting (a) the tax that applies to the actual use of the fuel, from (b) the tax imposed by section 4041 on the fuel sold to you.

E. Qualified Diesel-Powered Highway Vehicles.—You may claim a credit in 1984, if on January 1, 1985, you were holding a qualified diesel-powered highway vehicle for a use other than resale. A qualified diesel-powered highway vehicle is any diesel-powered highway vehicle which has at least 4 wheels, has a gross vehicle weight rating of 10,000 pounds or less, and is registered for highway use in the United States under the laws of any State. Find the diesel fuel differential amount in the following table:

Model Year of Qualified Diesel-Powered Highway Vehicle	Automobile	Truck or Van
1984 or 1985	$102	$198
1983	85	165
1982	68	132
1981	51	99
1980	34	66
1979	17	33

Enter the credit on line 1 of Form 4136.

F. What Fuels Not To Include.—Do not include gasoline lost or destroyed through spillage, accident, or shrinkage. Such gasoline is not considered to be used and therefore does not qualify for credit or refund.

G. Additional Information.—Publication 225, Farmer's Tax Guide, and **Publication 378,** Fuel Tax Credits, are available from the Internal Revenue Service.