

**Fuel Economy Tax**  
**for all 1984 model year automobiles**

▶ See Instructions on Back.

Name _____	Employer identification number _____
If an alternative tax rate has been approved check here <input type="checkbox"/> and attach computations.	
Enter date calendar quarter ended _____	

**PART I. — Computation of Tax**

Line number	If the fuel economy rating of the automobile is:			Units sold during model year					(i) Tax due (multiply column (c) by column (h))
	(a) At least	(b) But less than	(c) Tax rate	(d) Model type A	(e) Model type B	(f) Model type C	(g) Model type D	(h) Total units (add columns (d) through (g))	
<b>1</b>	19.5	—	0						
<b>2</b>	18.5	19.5	450						\$
<b>3</b>	17.5	18.5	600						
<b>4</b>	16.5	17.5	750						
<b>5</b>	15.5	16.5	950						
<b>6</b>	14.5	15.5	1150						
<b>7</b>	13.5	14.5	1450						
<b>8</b>	12.5	13.5	1750						
<b>9</b>	—	12.5	2150						
<b>10</b> Total tax due for this model year. Keep a copy of this return in your files. See instructions . . . . .									
<b>11</b> Less amounts previously reported and paid for this model year . . . . .									
<b>12</b> Total tax due for quarter. (Subtract line 11 from line 10.) Enter here and on Form 720 . . . . . ▶									\$

**PART II. — Identification of Models Subject to Fuel Economy Tax**

Model type	Identification
<b>A</b>	
<b>B</b>	
<b>C</b>	
<b>D</b>	

# General Instructions

## Paperwork Reduction Act Notice

We ask for this information to carry out the Internal Revenue laws of the United States. We need it to ensure that taxpayers are complying with these laws and to allow us to figure and collect the right amount of tax. You are required to give us this information.

## Who Must File

Any person engaged in the manufacture of automobiles who sells an automobile in a model type which falls into a taxable category as shown on the face of this form must complete Form 6197 and report the liability shown on line 12 as "Fuel economy tax" on the line for IRS No. 40 on Form 720, Quarterly Federal Excise Tax Return. If you have no taxable model types, you do not have to file Form 6197.

## When to File

File Form 720 by the last day of the month following the end of each calendar quarter of the model year. If timely deposits in full payment of all taxes due on Form 720 have been made, an additional 10 days will be allowed for filing the return. Form 6197 is no longer required to be attached to each quarterly Form 720. Using Form 6197 as a worksheet, compute the tax liability for each quarter in which sales of that model year's automobiles have been made. Report and pay the tax on Form 720 quarterly. When sales of that model year have been completed, file Form 6197 with that quarter's Form 720 showing total sales of each model automobile in that model year. The model year may exceed 12 months.

When reporting and paying the quarterly tax on Form 720, if the liability is for two different model years, combine the figures and report the total on Form 720.

## Where to File

Please see the instructions for Form 720. They contain the addresses of the service centers where Forms 6197 and 720 must be filed.

## Definitions

**"Automobile"** means any four-wheeled vehicle that is rated at 6,000 pounds gross weight or less, is propelled by an engine powered by fuel, and is intended for use mainly on public streets, roads, and highways.

The term "automobile" does not include: vehicles operated exclusively on a rail or rails; vehicles sold for use and used as ambulances or combination ambulance-hearses; Federal, State, or local police or other law enforcement vehicles; any vehicle used for firefighting purposes; or a nonpassenger automobile as defined in 49 CFR 523.5 (1978).

**"Fuel economy"** means the average number of miles an automobile travels on a gallon of gasoline (or an equivalent amount of other fuel). The fuel economy for any model type shall be the combined estimated value set by the Environmental Protection Agency (EPA) for purposes of a general fuel economy label value.

**"Manufacturer"** includes a producer or importer.

**"Model type"** means a particular class of automobile as determined by regulation by the Environmental Protection Agency.

**"Model year"** means a manufacturer's annual production period (as determined by EPA) that includes January 1 of that calendar year. It may exceed twelve months. If a manufacturer has no annual production period, the model year is the same as the calendar year.

**"Fuel"** means gasoline and diesel fuel.

**"Sale"** includes the manufacturer's use of an automobile or first lease of an automobile. For rules on paying the tax in the case of a first lease, see Internal Revenue Code section 4217(e)(2).

## Alternate Tax Rate

### Special Rule for Small Manufacturers

If you are a small manufacturer, you may apply for a ruling that it is not feasible for you to meet the tax-free fuel economy level for a particular model type and year. If your application is approved, specify in an attachment the date of approval and the "maximum feasible fuel economy level" for the model year and model type(s) as set forth in the letter of approval. See IRS regulations section 138.4064-1(d)(1) for the information on alternate rate schedules for small manufacturers.

You are a small manufacturer if you:

- (a) manufacture fewer than 10,000 automobiles (whether or not in the U.S.) in the second model year before the model year of the ruling, **and**
- (b) can reasonably be expected to manufacture fewer than 10,000 automobiles in the model year of the ruling.

If you merely import automobiles, you are not considered a manufacturer and may not apply for the alternate rate schedule. However, if the foreign manufacturer obtains an alternate rate schedule, the importer may use that schedule.

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## Specific Instructions

### Part I.—Computation of Tax

**Line 1.**—No entry is required. 1984 model year automobiles that get at least 19.5 miles per gallon are not subject to the fuel economy tax.

**Line 2, Columns (d), (e), (f), and (g).**—Enter the number of automobiles you sold (year to date) which have a fuel economy rating of at least 18.5 miles per gallon but less than 19.5. Use a separate column for each model type.

**Line 2, Column (h).**—Add the numbers listed in columns (d) through (g), and enter the total in column (h).

**Line 2, Column (i).**—Multiply the amount in column (h) by the tax rate listed in column (c), and enter the tax due.

**Lines 3 through 9.**—Repeat the procedure for line 2, using the fuel economy ratings and tax rates that apply (columns (a), (b), and (c) of each line).

**Line 10.**—Add the amounts in column (i), lines 2 through 9, and enter the total tax due.

**Line 11.**—Enter the total fuel economy tax previously reported and paid for this model year.

**Line 12.**—Subtract line 11 from line 10 and enter the amount here and on Form 720 on the line for IRS No. 40. This is the amount of tax due for sales for the quarter.

### Part II.—Identification of Models

#### Subject to Fuel Economy Tax

Enter the model name, number, or description which adequately identifies the model types listed under columns (d), (e), (f), and (g) in Part I. If you have more than four taxable model types, attach a schedule. Use the same size paper as the form and include the tax in the total tax due on line 10 of the form.