

Gas Guzzler Tax

for 1986 and later model year automobiles

OMB No. 1545-0242
 Expires: 05-31-93

▶ See instructions on back.

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

Part I Computation of Tax

Line number	If the fuel economy rating (mpg) 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))	
1	22.5	—	\$ 0						
2	21.5	22.5	500						\$
3	20.5	21.5	650						
4	19.5	20.5	850						
5	18.5	19.5	1050						
6	17.5	18.5	1300						
7	16.5	17.5	1500						
8	15.5	16.5	1850						
9	14.5	15.5	2250						
10	13.5	14.5	2700						
11	12.5	13.5	3200						
12	—	12.5	3850						
13 Total tax due for this model year. (See instructions.)									
14 Less amounts previously reported and paid for this model year									
15 Total tax due for quarter. (Subtract line 14 from line 13.) Enter here and on Form 720 on the line for IRS No. 40. ▶									\$

Part II Identification of Models Subject to Gas Guzzler Tax

Model type	Identification
A	
B	
C	
D	

General Instructions

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

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.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping	3 hrs., 20 min.
Learning about the law or the form	1 hr., 2 min.
Preparing the form	2 hrs., 59 min.
Copying, assembling, and sending the form to IRS	32 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form more simple, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0242), Washington, DC 20503.

Purpose of Form

Form 6197 is used to compute the gas guzzler tax imposed on the manufacturer or importer of specific model automobiles that do not meet certain standards for fuel economy.

Who Must File

If you manufacture or import and sell automobiles of a taxable model type as shown on the front of this form, you must complete this form. You must report the liability shown on line 15 as "Gas Guzzler 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.

If you are a small manufacturer that lengthens existing automobiles, you are not subject to the tax. See the definition of small manufacturer later.

When To File

Form 6197 is not 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. See the definition of model year later. 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.

File Form 720 by the last day of the month following the end of each calendar quarter of the model year. If you have made timely deposits in full payment of all taxes due on Form 720, an additional 10 days is allowed for filing the return.

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 Form 720 instructions for addresses of service centers where Forms 6197 and 720 must be filed.

Definitions

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

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 is 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 Environmental Protection Agency regulations.

Model year means a manufacturer's annual production period (as determined by EPA) that includes January 1 of that calendar year. It may exceed 12 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 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 to Form 6197 the date of approval and the "maximum feasible fuel economy level" for the model year and model type(s) given in the letter of approval. See Regulations sections 48.4064-1(d)(3) through (7) for the information on alternate rate schedules for small manufacturers.

You are a **small manufacturer** if you:

- 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**
- Can reasonably expect 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.

Specific Instructions

Part I.—Computation of Tax

Line 1.—No entry is required. Model year 1986 or later automobiles that get at least 22.5 miles per gallon are not subject to the gas guzzler tax.

Line 2, Columns (d), (e), (f), and (g).—Enter the number of automobiles you sold (model year to date) that have a fuel economy rating of at least 21.5 miles per gallon but less than 22.5. 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 12.—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 13.—Add the amounts in column (i), lines 2 through 12, and enter the total tax due.

Line 14.—Enter the total gas guzzler tax previously reported and paid for this model year.

Line 15.—Subtract line 14 from line 13 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 Gas Guzzler Tax

Enter the model name, number, or description that 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 13 of the form.