

Registration for Tax-Free Transactions Under Chapter 32 of the Internal Revenue Code

**(This Application Should Also Be Used by Producers and Importers
 of Gasoline and Manufacturers of Lubricating Oil)**

No. _____
 OMB No. 1545-0014
 Expires 11-30-84

Please type or print	Name of individual, corporation, partnership, association, etc.	Social Security or Employer Identification Number
	Name under which business is operated	Will you be required to file Form 720? . . . <input type="checkbox"/> Yes <input type="checkbox"/> No
	Business address (Number and street)	File this application in duplicate with your District Director of Internal Revenue. See the instructions on pages 2 and 4.
	City, State, and ZIP code	

Application is hereby made for a Certificate of Registry in the name(s) indicated above.
 The applicant is a:

Manufacturer Producer Importer Wholesaler Jobber | Selling or Buying (specify type of product) ►
 Retailer Other (specify) ►

The applicant affirms that use of articles bought or sold tax-free is to be for the exempt purposes specified in applicable provisions of law and regulations and understands that misuse of this certificate will lead to its revocation and/or the penalties provided by law. See item 2 on page 2 and check applicable letter(s). I qualify as a:

a, b, c, d, e, f, g, h, i, j, k, l, m, n, and/or other—(specify) ►

Under penalties of perjury, I declare that I have examined this application and to the best of my knowledge and belief it is true, correct, and complete.

Signature ► _____ Title ► _____ Date ► _____

Paperwork Reduction Act Notice.—The Paperwork Reduction Act of 1980 says we must tell you why we are collecting this information, how we will use it, and whether you have to give it to us. We ask for the 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. If you want to register for tax-free transactions, you are required to give us this information.

District Director's Validation— A Certificate of Registry for the above applicant is approved and issued under the number shown.

----- By _____ Date -----
 District Director of Internal Revenue

Instructions

(References are to the Internal Revenue Code)

1. Purpose of form.—Use this form to register for tax-free sales under sections 4063 (a)(7), 4063(b), 4063(e), 4083, 4093, and 4221. These tax-free sales may be made only if the manufacturer, first purchaser, and second purchaser have registered. Persons subject to tax under section 4081 (Gasoline) and 4091 (Lubricating Oil) must register before incurring any excise tax liability.

2. Who may register.—Any person who qualifies as a:

- a. Manufacturer of articles,
- b. Buyer purchasing articles (other than tires or inner tubes) for use in further manufacture or for resale to a buyer for such use,
- c. Buyer purchasing tires or inner tubes for use on or in connection with the sale of another article he or she manufactures. (This applies only if the buyer sells the other article (taxable or nontaxable) for any of the tax-free purposes indicated in section 4221 except for use, or for resale for use, in further manufacture),
- d. Buyer with a place of business in the United States purchasing articles for export or for resale to a second purchaser for export,
- e. Buyer purchasing articles for use as supplies for vessels or aircraft,
- f. Nonprofit educational organization,
- g. Buyer purchasing bicycle tires or inner tubes for use in the manufacture of new bicycles,
- h. Buyer purchasing gasoline for nonfuel pur-

poses as a material to be used in the manufacture of another article.

i. Buyer purchasing parts for use on a bus or for resale by the buyer or a second buyer for such use, or tires, tread rubber, or inner tubes for use on an intercity, local, or school bus,

Note: Buyers purchasing tires or inner tubes for use in the manufacture of bus chassis or bodies are entitled to a credit or refund of the excise tax on tires and inner tubes when the chassis or bodies are sold.

j. Producer of gasoline (including a wholesale distributor) who purchases gasoline, or a manufacturer, rerefiner, or producer of lubricating oil who purchases lubricating oil for resale,

k. State or local government,

l. Buyer purchasing trash containers,

m. Buyer of any article that is (i) to be resold on or in connection with the first retail sale of a light-duty truck as described in section 4061 (a)(2), or, (ii) to be resold by the purchaser to a second purchaser for resale by the second purchaser on or in connection with the first retail sale of a light-duty truck, or

n. Producer of gasohol who purchases gasoline.

Note: Alcohol fuel credits on income tax returns must be reduced by any benefit provided by tax-free sales.

3. Prior registration.—If a District Director has issued you a Certificate of Registry that is still in effect for a category of tax-free sales, you need not register again unless notified to do so. However, you must register again to qualify for another category of tax-free sales.

4. Exceptions to the requirements for registration.—

a. The District of Columbia, a State, or its political subdivision purchasing articles directly from the manufacturer for its exclusive use may register but is not required to do so.*

b. In sales for export or for resale for export when the first or second purchaser is located in a foreign country or a possession of the United States, the purchaser is not required to register.*

c. In sales for use as supplies for vessels or aircraft when prescribed exemption certificates are furnished to the manufacturer by the purchaser, registration is not required.*

d. The registration requirements do not apply to purchases and sales by the United States.

5. How to register.—Get Form 637 from an Internal Revenue Service office and file it in duplicate. If IRS accepts the application, the District Director will validate the original and return it to you as your Certificate of Registry.

6. Where to register.—File Form 637 with the District Director of Internal Revenue for the district in which your principal place of business is located. If you have no principal place of business in the United States, file with the Internal Revenue Service Center, Philadelphia, PA 19255.

7. Additional information to be submitted by buyers.—In addition to the information on the application, buyers should submit information showing the types of tax-free purchases they intend to make. This information should include:

a. For a buyer purchasing for resale, the types of products and the reason for resale.

b. For a buyer that is a nonprofit educational organization (other than a school activity of a

*Tax-free sales in such cases must be made according to the procedure provided under applicable regulations.

(Continued on page 4)

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Instructions (Continued)

church), the date of the determination letter holding it to be exempt from Federal income tax.

c. For a buyer purchasing supplies for vessels or aircraft:

(1) Name of vessel or make, model, and serial number of aircraft,

(2) Type of business engaged in with the vessel or aircraft, and

(3) Name of country in which civil aircraft is registered.

d. For a buyer purchasing for further manufacture, the articles purchased for this purpose and the end product.

8. Producers or importers of gasoline and manufacturers of lubricating oil.—Every producer or importer of gasoline and every manufacturer of lubricating oil subject to tax under sections 4081 and 4091 must apply for registry on Form 637 as required by section 4101.

The application must contain, in addition to the information required on Form 637, the following information:

a. A statement as to whether the applicant is a refiner, compounder, blender, or actual producer of gasoline; an importer of gasoline; a dealer selling exclusively to producers of gasoline; a wholesale distributor of gasoline; or a manufacturer of lubricating oil,

b. A description of the equipment and facilities maintained for the production of gasoline or lubricating oil,

c. A description of the equipment and methods actually employed in such production,

d. The ingredients or materials used,

e. For refiners, compounders, blenders, or

actual producers of gasoline, the percentage of total sales of gasoline expected to be from sales, if any, of gasoline produced,

f. For wholesale distributors of gasoline, a description of the storage facilities maintained by the distributors, and the percentage of total sales of gasoline expected to be from bulk sales of gasoline, and

g. For manufacturers of lubricating oil, the percentage of total sales of lubricating oil expected to be from sales of lubricating oil produced.

9. Definitions.—

a. *Articles.*—All references to “articles” are to those taxable under Chapter 32 of the Code unless otherwise indicated.

b. *Manufacturer.*—This term includes a producer or importer of an article, but not an importer of lubricating oil.

c. *Export.*—Includes shipment to a possession of the United States.

d. *Supplies for vessels or aircraft.*—Means fuel supplies, ships’ stores, sea stores, or legitimate equipment on vessels of war of the United States or of any foreign nation; vessels employed in the fisheries or whaling business; or vessels actually engaged in foreign trade or trade between the Atlantic and Pacific ports of the United States or between the United States and any of its possessions. The term “vessels” includes civil aircraft employed in foreign trade or trade between the United States and any of its possessions. The term “vessels of war of the United States or of any foreign nation” includes aircraft owned by the United States or by any foreign nation and constituting a part of the armed forces. In the case of civil aircraft registered in a foreign country, that country must

allow a substantially similar exemption for civil aircraft registered in the United States.

e. *Nonprofit educational organization.*—Means an organization exempt from income tax under section 501(a) of the Code that meets the following tests:

(1) Its main function is formal instruction.

(2) It has a regular faculty and curriculum.

(3) It has a regularly enrolled body of students who attend the place where the instruction normally occurs.

A nonprofit educational organization also includes a school operated by a church or other organization described in section 501(c)(3) of the Code that meets the above tests.

f. *Use in further manufacture.*—An article is treated as sold for use in further manufacture if:

(1) The article (other than an article referred to in (2) below) is sold for the purchaser’s use as material in the manufacture or production of, or as a component part of, another article (taxable under Chapter 32) to be manufactured or produced, or

(2) For a part or accessory taxable under section 4061(b), the article is sold for the purchaser’s use as material in the manufacture or production of, or as a component part of, another article (taxable or nontaxable) to be manufactured or produced.

10. *Use of registration.*—Use of the registry number and the evidence and records required to substantiate tax-free sales and purchases must be in accordance with applicable regulations.

When tax-free sales for exempt purposes are regularly made to a buyer, one exemption certificate can be used to cover all orders for a specified period of up to 12 calendar quarters.