

INTERNAL REVENUE SERVICE

May 22, 2000

Number: **INFO 2000-0074**

Release Date: 6/30/2000

Index No.: 4081.00-00

[REDACTED]

Dear [REDACTED]

This letter responds to your inquiry dated April 17, 2000, to [REDACTED] National Director for Legislative Affairs, Internal Revenue Service (IRS), on behalf of your constituent, [REDACTED] uses kerosene to heat her home. Included in her purchase price of kerosene is an amount representing 24.4 cents federal excise tax per gallon. [REDACTED] may be entitled to a refund or a credit for this excise tax because she uses the kerosene to heat her home, which is a nontaxable use. Our responses to [REDACTED] four questions about this excise tax follow.

1. Can I apply for a refund only with my tax return?

You can file a claim for refund on Form 8849, Claim for Refund of Excise Taxes, for any quarter of your tax year if you can claim \$750 or more. If you cannot claim a refund for at least \$750 by the end of the fourth quarter of your tax year, you may claim a credit on your income tax return.

2. If I use the short form and do not itemize, can I still apply for a refund of the tax paid?

You can claim a credit for the tax you paid by filing Form 1040, U.S. Individual Income Tax Return, and attaching Form 4136, Credit for Federal Tax Paid on Fuels. You may not claim this credit on Form 1040EZ, Income Tax Return for Single and Joint Filers With No Dependents, or Form 1040A, Individual Income Tax Return.

3. Do I have to wait until next year to get a refund of the tax I paid in the year 2000?

Yes, you must wait to claim a credit until you file your Form 1040, unless you can claim a refund of \$750 or more for any quarter of your tax year. However, you have the option of adjusting any withholding or estimated tax payments to reflect the credit to which you may be entitled.

4. What is the explanation for this new law?

