

Instructions MF12C

Special Fuel User permit holders who do not request a refund of fuel tax for non-taxable use and/or who are not the end-user and responsible for the production of material are not required to maintain usage records.

Stop & read before you begin:

1. Are you requesting a refund or credit? And/or
2. Do you owe a tax for fuel used to produce aggregate?
 - If you answered **NO** to both questions, check the No box. Fill in your name, address, city and state, your Special Fuel User permit number and either your Federal ID or social security number. Skip all lines and sign at the bottom of the form. Please mail to the address at the top of the form.
 - If you answered **YES** to either question, check the Yes box. Fill in your name, address, city and state, your Special Fuel User permit number and either your Federal ID or social security number. Complete lines 1-19 of the form, and sign at the bottom of the form. Please mail to the address at the top of the form. The line-by-line instructions are below.

- LINE 1:** The purpose of lines 1-3 is to calculate your average miles per gallon (mpg) of your on-road vehicles. Enter all miles your on-road vehicles traveled in the quarter. Do not include miles traveled by any vehicles you have permitted under the IFTA Program. Mileage logs must be kept for all miles traveled.
- LINE 2:** All the fuel placed into the supply tank of the vehicles that have been reported on line 1 only. All invoices and dispersal records must be kept for vehicles. **DO NOT INCLUDE FUEL USED IN EQUIPMENT.**
- LINE 3:** Divide total miles traveled by total fuel used in vehicles. (Line 1 divided by line 2). This is your average Miles Per Gallon (MPG).
- LINE 4:** Enter the **total** of all miles traveled in Montana (both taxable and non-taxable) only by your on-road vehicles. (Include trip permit miles if any were purchased during the quarter).
- LINE 5:** Enter the total of any off-road (Non-taxable) miles. Any miles traveled on private property are non-taxable. Please remember that you will need to keep mileage logs to support your claim of non-taxable miles.
- LINE 6:** Enter total taxable miles traveled in Montana only. Any public road in Montana is taxable including gravel, dirt, pavement and etc. (Subtract line 5 from line 4)
- LINE 7:** Enter the total gallons of fuel that was used on public roads by your vehicles. This is determined by dividing total taxable miles by your MPG. (Line 6 divided by line 3.)
- LINE 8:** Enter the gallons listed on line 6 of your MF-15 form. This is the total of all fuel from taxable projects including fuel used to produce aggregate material.
- LINE 9:** Add lines 7 and 8 to calculate your total taxable fuel gallons used during the quarter.
- LINE 10:** Enter the number of Montana tax-paid gallons bought at the pump and/or dispensed from Montana tax-paid bulk storage placed into the supply tank of a vehicle and/or equipment. You get this number from Schedule 3 on the backside of the MF12C Form.
- LINE 11:** Subtract line 10 from line 9 if line 9 is the greater number. Enter the number on Line 11. If line 9 is not greater than line 10, skip to line 13.
- LINE 12:** Calculate your refund or credit amount by multiplying line 11 by the current tax rate (.2775). (Brackets indicate refund/credit.) Enter your refund or credit amount on this line.
- LINE 13:** Subtract line 9 from line 10 if line 10 is the greater number. Enter the number on Line 13.
- LINE 14:** Calculate your additional Montana tax liability by multiplying line 13 times the current tax rate (.2775). Enter your additional tax due on this line.

- LINE 15:** Total credit from Power-Take-Off Unit. Enter total from column 7, line 2 of MF-12PTO form.
- LINE 16:** Late filing penalty. Failure to file a tax return by the due date will result in a penalty. The penalty is \$25.00 or 10% of the net tax liability, whichever is greater. A tax return is considered filed by the date of the US postmark on the envelope. Subtract lines 12 & 15 from line 14. If the amount is a refund or tax of \$250 or less, the penalty is \$25. Otherwise, the penalty is 10% times the tax due.
- LINE 17:** Interest is imposed on late or amended returns that have a tax due. Interest is 12% a year or 1% per month or fraction thereof.
- LINE 18:** Prior Quarter Credits. These are credits carried forward from previous tax quarters. The credit may be used against any tax liability or refunded upon request.
- LINE 19:** Total Amount Due/Credit. Add lines 14, 16 & 17 to arrive at your tax liability before credits. Subtract lines 12, 15 & 18 from this total to arrive at your total amount due or refund/credit.

SCHEDULES: 1, 2 & 3 must be completed for the tax return to be considered properly filed.

SCHEDULE 1- Diesel Fuel Purchases

There are three columns to show fuel purchases; Bulk purchases, purchases at the pump, and one for fuel that has no Montana tax paid (dyed diesel or fuel purchased outside of Montana.)

- Bulk fuel- Report any fuel that is purchased in Montana from a retailer and placed in storage or containers other than the supply tank of a motor vehicle or equipment. (Storage tanks, slip tanks, cans, glass containers, etc.)
- Montana tax paid fuel-Report any fuel you buy at the pump in Montana where the Montana tax was collected at the time of the purchase and put into the supply tank of a vehicle or equipment. (Undyed diesel only.)
- Report any dyed diesel purchased or any diesel brought in from out of state.

List each purchase separately with date of purchase, invoice number, dealer's name and address, and the number of gallons. Total the columns of gallons by bulk fuel or pump purchases in lines 2 & 3. If you use fuel supplement(s) form MF-12A, transfer the total of Montana tax-paid gallons from it to line 1.

SCHEDULE 2 – Bulk Storage of Diesel Fuel

Bulk Storage: A dispersal record must be maintained for all bulk storage in Montana. If the user has more than one storage tank, the taxpayer is required to maintain separate bulk summary & dispersal records for each bulk tank (See bulk under Schedule 1).

SCHEDULE 3 - Montana Tax Paid Fuel Used

Totals of the Montana tax paid fuel used in vehicle(s) and equipment. Total of Montana tax-paid gallons purchased at the pump (Schedule 1, line 3) plus total Montana tax paid fuel dispensed from bulk storage (Schedule 2, line 8) equals the total Montana tax-paid fuel placed into vehicles and equipment. Enter that total on line 10 on front of form.

SCHEDULE 4 - Untaxed Fuel Used

This is your accounting of the non-taxed fuel reported on Schedule 1 that may be taxable. Report your totals of dyed or out of state fuel with no Montana tax paid on it. Schedule 4 is for recording purposes only. If this fuel was not used on a taxable project as reported on your MF-15, it is not taxable. Therefore you do not have to report it any further. It also is not subject to refund because no Montana taxes were paid on it. **REMINDER: A Special Fuel User may use only fuel on which the Montana tax has been paid in all projects, both private and public.**

Please call (406)444-9276 or (406) 444-7274 if you have any questions or need assistance.