

**Credit for Federal Tax Paid on Fuels**  
 (And Credit for Purchase of Diesel-Powered Highway Vehicles)  
 ▶ See the Instructions for Form 4136.

Department of the Treasury  
Internal Revenue Service (99)

▶ Attach this form to your income tax return.

Name (as shown on your income tax return)

Taxpayer identification number

**Part I Diesel-Powered Highway Vehicle Credit**

**Caution:** You cannot claim a credit on a diesel-powered vehicle that was purchased after August 20, 1996.

	(a) Number of vehicles	(b) Credit per vehicle	(c) Credit (col. (a) × col. (b))	CRN
1 Diesel-powered cars . . . . .	1	\$102.00	\$	
2 Diesel-powered light trucks and vans . . . . .	2	198.00		
3 Total diesel-powered highway vehicle credit. Add lines 1 and 2, column (c) . . . ▶	3		\$	318

**Part II Fuel Tax Credit**

**Caution:** You cannot claim any amounts on Form 4136 that you claimed on Form 8849, Form 843, or Schedule C (Form 720).

**4 Nontaxable Use of Gasoline**

	Type of use	Rate	Gallons	Amount of credit	CRN
a Off-highway business use		\$.183	}		301
b Use on a farm for farming purposes		.183			
c Other nontaxable use		.183			

**5 Nontaxable Use of Gasohol**

	Type of use	Rate	Gallons	Amount of credit	CRN
a Gasohol containing at least 10% alcohol		\$.129	}		312
b Gasohol containing at least 7.7% alcohol but less than 10% alcohol		.14142			
c Gasohol containing at least 5.7% alcohol but less than 7.7% alcohol		.15222			

**6 Nontaxable Use of Undyed Diesel Fuel (Lines 6a, b, and c)**  
**Sales by Registered Ultimate Vendors of Undyed Diesel Fuel (Line 6d)**

Claimant certifies that the diesel fuel did not contain visible evidence of dye.  
 If any of the diesel fuel included in this claim **did** contain visible evidence of dye, attach a detailed explanation and check here . . .

	Type of use	Rate	Gallons	Amount of credit	CRN
<b>Lines 6a, b, and c:</b> Claimant has the name and address of the person(s) who sold the diesel fuel to the claimant and the date(s) of the purchase(s), and if exported, the required proof of export.			}		303
a Heating oil		\$.243			
b Off-highway business use		.243			
c Other nontaxable use (excluding use on a farm for farming purposes)		.243			
d Claimant, a registered ultimate vendor, sold diesel fuel for use by the buyer on a farm for farming purposes, or to a state or local government for its exclusive use. Claimant obtained the required certificate from the buyer and has no reason to believe any of the information in the certificate is false.		.243			

**7 Nontaxable Use of Special Fuels**

	Type of use	Rate	Gallons	Amount of credit	CRN
a	Special motor fuels (other than LPG or fuels used in intercity or local buses)	\$.183	} MCF		304
b	Liquified petroleum gas (LPG)	.183			
c	Special motor fuels used in intercity or local buses	.109			
d	Compressed natural gas (credit rate per thousand cubic feet)	.4854			

**8 Nontaxable Use of Gasoline Used in Aviation**

	Type of use	Rate	Gallons	Amount of credit	CRN
a	Used in commercial aviation (other than foreign trade)	\$.14/.15*	}		307
b	Other nontaxable use	.183/.193*			

**9 Nontaxable Use of Aviation Fuel (other than gasoline)**

	Type of use	Rate	Gallons	Amount of credit	CRN
a	Used in commercial aviation (other than foreign trade)	\$.175*	}		310
b	Other nontaxable use	.043/.218*			

**10 Gasohol Blenders**

Percentage of alcohol in the gasohol	Rate	Gallons of gasoline	Amount of credit	CRN
Claimant bought gasoline taxed at the full rate (\$.183) and blended it with alcohol to make gasohol. The gasohol was used or sold for use in a trade or business.				
a At least 10% alcohol	\$.03967	}		302
b At least 7.7% alcohol but less than 10% alcohol	.02979			
c At least 5.7% alcohol but less than 7.7% alcohol	.02158			

**11 Use of Undyed Diesel Fuel—Train and Intercity and Local Bus**

Claimant certifies that the diesel fuel did not contain visible evidence of dye.  
 If any of the diesel fuel included in this claim **did** contain visible evidence of dye, attach a detailed explanation and check here

	Rate	Gallons	Amount of credit	CRN
Claimant has the name and address of the person(s) who sold the diesel fuel to the claimant and the date(s) of the purchase(s).				
a Diesel-powered trains	\$.1875	}		305
b Certain intercity and local buses	.17			

**12** Total fuel tax credit. Add lines 4–11 ▶ **12** \$

**Part III Total Income Tax Credit**

**13** Total income tax credit claimed (add lines 3 and 12). Enter here and on Form 1040, line 57 (also check box b on line 57); Form 1120, line 32g; Form 1120-A, line 28g; Form 1120S, line 23c; Form 1041, line 24g; or the proper line of other returns. ▶ **13** \$

\* This rate applies after August 26, 1996. See the instructions on page 4.

# Instructions for Form 4136

**Paperwork Reduction Act Notice.**—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Code section 6103.

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

- Recordkeeping** . . . . . 13 hr., 10 min.
- Learning about the law or the form** . . . . . 6 min.
- Preparing and sending the form to the IRS** . . . . . 20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service at the address listed in the instructions of the tax return with which this form is filed.

## General Instructions

### Changes To Note

1. The credit for diesel-powered vehicles does not apply to vehicles purchased after August 20, 1996.
2. Generally, fuel tax rates decreased by \$.001 (LUST) after December 31, 1995.
3. Tax rates for gasoline used for aviation and aviation fuel (other than gasoline) changed during 1996. See lines 8 and 9.
4. The gasohol blender claim is reinstated. See line 10 and the instructions on page 4.
5. New rules for diesel fuel credits have resulted in changes to lines 6 and 11. Also, see the instructions on page 4.
6. If you used undyed diesel fuel in a motorboat after August 26, 1996, you may claim a credit for the tax paid on that fuel. See line 6c.

### Purpose of Form

Use Form 4136 to claim the credit for diesel-powered highway vehicles and to claim the credit for Federal excise tax paid on fuels. (Partnerships cannot file this form; instead, they must include a statement on **Schedule K-1 (Form 1065)**, Partner's Share of Income, Credits, Deductions, etc., showing the allocation of the credits to each partner specifying the number of gallons of fuel allocated to each partner and the applicable tax rates.)

### Requirements

To claim a fuel tax credit you must **(1)** buy taxed fuel, and **(2)** use it for a purpose listed in the **Type of Use Table** (see page 4).

### Recordkeeping

You must keep records to support any credits claimed on this return for at least 3 years from the date the return is due or filed, whichever is later.

## Reporting Fuel Tax Credit in Income

You must include in your gross income the amount of the credit from line 12, Part II, if you took a deduction on your tax return for the taxes paid and that deduction reduced your tax liability.

### Additional Information

You may be able to file **Form 8849**, Claim for Refund of Excise Taxes, to claim a refund of excise taxes instead of claiming credit on Form 4136. **Pub. 378**, Fuel Tax Credits and Refunds, includes definitions and additional excise tax rules. **Pub. 225**, Farmer's Tax Guide, also includes information on the credit for Federal tax paid on fuels.

## Specific Instructions

### Part I—Diesel-Powered Highway Vehicle Credit

If you bought a diesel-powered highway vehicle after December 31, 1995, and before August 21, 1996, for a use other than resale and you are the first purchaser, you may claim a one-time credit of \$102 for an automobile and \$198 for a light truck or van. The vehicle must be a diesel-powered highway vehicle that has at least four wheels, has a gross vehicle weight rating of 10,000 pounds or less, and is registered under the laws of any state for highway use in the United States. If you claim the credit for diesel-powered vehicles, you must reduce the depreciable basis of the vehicle by the credit claimed.

### Part II—Fuel Tax Credit

#### Type of Use Table

The table on page 4 lists the nontaxable uses for which you may claim a credit for taxes paid on fuels. You must enter the item number from the table in the applicable boxes in the Type of Use column. See Pub. 378 for definitions of these uses.

#### Line 4

**4a. Off-highway business use.**—You must have used the gasoline for a business use other than in a highway vehicle registered (or required to be registered) for highway use. You cannot claim a credit for personal use of gasoline.

**4b. Use on a farm for farming purposes.**—You must have used the gasoline on a farm for farming purposes. You cannot claim a credit for personal use of gasoline.

**4c. Other nontaxable uses of gasoline.**—You must have used the gasoline for uses **3, 4, 6, or 8** from the **Type of Use Table**. List the item number on line 4c. To claim a credit for gasoline used in aviation, use line 8.

#### Line 5

You must have used the gasohol for uses **1, 2, 3, 4, 6, or 8** from the **Type of Use Table**. List the item number on line 5. The credit rate per gallon is based on the percentage of alcohol in the mixture.

#### Line 6

**6a. Heating oil.**—You must have used the diesel fuel as heating oil.

**6b. Off-highway business use of undyed diesel fuel.**—You must have used the diesel fuel for a business use other than in a highway vehicle registered (or required to be registered) for highway use.

**6c. Other nontaxable use of undyed diesel fuel.**—You must have used the diesel fuel for uses **3, 4, 5, 7, 8, 9, or 15** from the **Type of Use Table**. List the item number on line 6c. To claim a credit for diesel fuel used in certain intercity or local buses or diesel-powered trains, use line 11.

**Caution:** *You cannot claim a credit on line 6c for the tax paid on diesel fuel that you used on a farm for farming purposes.*

**6d. Sales by registered ultimate vendors.**—You must attach the following information:

1. Your UV registration number issued to you by the IRS.
2. The name and TIN of each farmer, custom harvester, or governmental unit who bought diesel fuel from you and the number of gallons that you sold to each, and
3. A statement that you have:
  - Not included the amount of tax in the sales price and not collected the amount of tax from the buyer; **or**
  - Repaid the amount of the tax to the ultimate purchaser of the fuel; **or**
  - Obtained the written consent from your buyer to take the credit.

### Line 7

**7a, b, and c. Special motor fuels.**—Special motor fuels generally may be bought for nontaxable purposes at a price that does not include the excise tax. However, if you bought taxed special motor fuels, you must have used the special motor fuels for uses **1, 2, 3, 4, 6, 8, 10, or 14** from the **Type of Use Table**. List the item number on line 7a, b, or c. Use the credit rate shown on lines 7a through 7c for the above uses.

**7d. Compressed natural gas.**—Compressed natural gas generally may be bought for nontaxable purposes at a price that does not include the excise tax. However, if you bought compressed natural gas at a price that included the tax, you must have used the compressed natural gas for uses **1, 2, 3, 4, 6, 8, 10, or 14** from the **Type of Use Table**. List the item number on line 7d. The rate shown on line 7d is per thousand cubic feet (MCF).

### Line 8

**8a. Used in commercial aviation.**—You may take a credit for \$.14 per gallon of the tax included in the price of gasoline. If tax was imposed at the \$.193 per gallon rate, you may take a credit for \$.15 per gallon.

**8b. Other nontaxable uses.**—You may take a credit for the \$.183 per gallon of tax included in the price of gasoline. If tax was imposed at the \$.193 per gallon rate, you may take a credit for the \$.193 per gallon. You must have used the gasoline in aviation for uses **1, 10, or 12** from the **Type of Use Table**. List the item number on line 8b.

### Line 9

**9a. Used in commercial aviation (other than foreign trade).**—You may take a credit for \$.175 per gallon of the \$.218 tax imposed on aviation fuel after August 26, 1996.

**9b. Other nontaxable uses.**—You may take a credit for \$.043 per gallon of the tax included in the price of aviation fuel. If aviation fuel was taxed at \$.218 per gallon, you may take a credit for the \$.218 per gallon. You must have used the aviation fuel for uses **1, 10, 12, and 13** from the **Type of Use Table**. List the item number on line 9a.

### Line 10

If you bought gasoline taxed at the full rate, have not claimed a refund, and used that gasoline to make gasohol, you may take a credit for each gallon of gasoline used to make gasohol. The credit rate per gallon is based on the percentage of alcohol in the mixture.

### Line 11

You must have used the diesel fuel for train or certain intercity or local bus use. For other bus uses that qualify for a full refund of the tax, use line 6c.

### Type of Use Table

Item No.	Type of Use
1	On a farm for farming purposes
2	For business other than in a highway vehicle registered (or required to be registered) for highway use
3	Export
4	In a boat used in commercial fishing
5	For diesel fuel in a boat in <ul style="list-style-type: none"> <li>• the business of transporting persons or property for compensation or hire, or</li> <li>• any other trade or business, except an activity generally considered entertainment, amusement, or recreation</li> </ul>
6	In an intercity or local bus
7	For diesel fuel in a qualified local bus that <ul style="list-style-type: none"> <li>• can seat at least 20 adults (excluding the driver) and</li> <li>• is under contract by a state or local government to furnish (for compensation) intracity passenger land transportation that is available to the general public and is scheduled and along regular routes</li> </ul>
8	In a bus that transports students and school employees
9	For diesel fuel other than as a fuel in the propulsion engine of a diesel-powered highway vehicle, train, or boat
10	In foreign trade
11	In commercial aviation
12	In certain helicopters
13	For aviation fuel used other than as a fuel in a propulsion engine of an aircraft
14	For special motor fuels used other than as a fuel in a propulsion engine of a motor vehicle or a motorboat
15	Diesel fuel used in a motorboat (after August 26, 1996 and before January 1, 1998).

