

Cumulative Changes

3

TLS, have you transmitted all R text files for this cycle update?

I.R.S. SPECIFICATIONS TO BE REMOVED BEFORE PRINTING
 INSTRUCTIONS TO PRINTERS
 SCHEDULE 3 (FORM 8849), PAGE 1 of 4
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Action	Date	Signature
O.K. to print		
Revised proofs requested		

Ok to print as is
Ok to print as corrected

Changes shown in yellow.

Deletions shown in blue.

Additional changes by TLS shown in red.

Schedule 3 (Form 8849)

(Rev. March 2008)
 Department of the Treasury
 Internal Revenue Service

Certain Fuel Mixtures and the Alternative Fuel Credit

OMB No. 1545-1420

▶ Attach to Form 8849. Do not file with any other schedule.

Name as shown on Form 8849	EIN or SSN	Total refund (see instructions) \$
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Caution. The alcohol fuel mixture credit, biodiesel or renewable diesel mixture credit, alternative fuel credit, and alternative fuel mixture credit must first be taken on Schedule C (Form 720) to reduce your taxable fuel liability reported on Form 720, Quarterly Federal Excise Tax Return. If you did not make these claims on Schedule C (Form 720), you must make them on Form 720X, Amended Quarterly Federal Excise Tax Return, before making them on Form 8849. You cannot claim any amounts on Form 8849 that you claimed (or will claim) on Schedule C (Form 720) or Form 4136, Credit for Federal Tax Paid on Fuels.

Claimant's registration no. ▶ _____

Enter your registration number, including the prefix, on the entry line above. Line 3 claimants must enter their AM registration number.

Period of claim: Enter month, day, and year in MMDDYYYY format.

From ▶ _____ To ▶ _____

AL or

1 Alcohol Fuel Mixture Credit

Claimant produced an alcohol fuel mixture by mixing taxable fuel with alcohol. The alcohol fuel mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant.

	(a) Rate	(b) Gallons of alcohol	(c) Amount of claim Multiply col. (a) by col. (b).	(d) CRN
a Alcohol fuel mixtures containing ethanol	\$.51		\$	393
b Alcohol fuel mixtures containing alcohol (other than ethanol)	.60			394

2 Biodiesel or Renewable Diesel Mixture Credit

Biodiesel mixtures. Claimant produced a mixture by mixing biodiesel with diesel fuel. The biodiesel used to produce the mixture met ASTM D6751 and met EPA's registration requirements for fuels and fuel additives. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, the Statement of Biodiesel Reseller. **Renewable diesel mixtures.** Claimant produced a mixture by mixing renewable diesel with diesel fuel (other than renewable diesel). The renewable diesel used to produce the renewable diesel mixture was derived from biomass (as defined in section 45K(c)(3)) using a thermal depolymerization process, met EPA's registration requirements for fuels and fuel additives, and met ASTM D975 or D396. The mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. Claimant has attached the Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller, both of which have been edited as discussed in the instructions for line 2.

	(a) Rate	(b) Gallons of biodiesel or renewable diesel	(c) Amount of claim Multiply col. (a) by col. (b).	(d) CRN
a Biodiesel (other than agri-biodiesel) mixtures	\$.50		\$	388
b Agri-biodiesel mixtures	1.00			390
c Renewable diesel mixtures	1.00			307

3 Alternative Fuel Credit and Alternative Fuel Mixture Credit

For the alternative fuel mixture credit, claimant produced a mixture by mixing taxable fuel with alternative fuel. Claimant certifies that it (a) produced the alternative fuel, or (b) has in its possession the name, address, and EIN of the person(s) that sold the alternative fuel to the claimant; the date of purchase; and an invoice or other documentation identifying the amount of the alternative fuel. The claimant also certifies that it made no other claim for the amount of the alternative fuel, or has repaid the amount to the government. The alternative fuel mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant.

	(a) Rate	(b) Gallons or gasoline gallon equivalents (GGE)	(c) Amount of claim Multiply col. (a) by col. (b).	(d) CRN
a Liquefied petroleum gas (LPG)	\$.50		\$	426
b "P Series" fuels	.50			427
c Compressed natural gas (CNG)(GGE = 121 cu. ft.)	.50			428
d Liquefied hydrogen	.50			429
e Any liquid fuel derived from coal (including peat) through the Fischer-Tropsch process	.50			430
f Liquid fuel derived from biomass	.50			431
g Liquefied natural gas (LNG)	.50			432

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Deleted prior What's New items.

Schedule 3 (Form 8849) (Rev. 3-2008)

Page 2

What's New

- The refund claimed on Schedule 3 can be less than \$200 if the claim is filed electronically. For more information on filing electronically, visit the IRS e-file website at www.irs.gov/efile.
- You can now claim the alternative fuel credit on Schedule 3. Previously, the alternative fuel credit was limited to certain tax-exempt taxpayers and the claim was made on Schedule 6.

General Instructions

Coordination With Excise Tax Credit

Only one credit may be taken with respect to any gallon of alcohol reported on line 1, biodiesel or renewable diesel reported on line 2, or alternative fuel reported on line 3. If any amount is claimed (or will be claimed), with respect to any gallon of alcohol, biodiesel, renewable diesel, or alternative fuel on Form 720 or Form 4136, then a claim cannot be made on Form 8849 for that gallon of alcohol, biodiesel, renewable diesel, or alternative fuel.

Excise Tax Liability

Persons who blend an untaxed liquid with taxable fuel to produce a taxable fuel mixture outside the bulk transfer terminal system must pay the excise tax on the volume of the untaxed liquid in the mixture.

See Form 720 to report these taxes. You also must be registered with the IRS as a blender (M registrants). Line 3 claimants must also have an AL or AM registration number. See Form 637, Application for Registration (For Certain Excise Tax Activities).

Total Refund

Add all amounts in column (c) and enter the result in the total refund box at the top of the schedule. See *Claim requirements* for each type of claim.

Amount of Refund

Multiply the number of gallons or gasoline gallon equivalents (CNG only) by the rate and enter the result in the boxes for column (c).

How To File

Attach Schedule 3 to Form 8849. On the envelope write "Fuel Mixture Claim" and mail to the IRS at the address under *Where To File* in the Form 8849 instructions.

Specific Instructions

Line 1. Alcohol Fuel Mixture Credit

Claimant. The person that produced and sold or used the mixture in their trade or business is the only person eligible to make this claim. The credit is based on the gallons of alcohol in the mixture.

Claim requirements. The following requirements must be met.

1. The claim must be for an alcohol fuel mixture sold or used during a period that is at least 1 week.
2. The amount of the claim must be at least \$200 unless the claim is filed electronically. To meet the minimum, amounts from lines 1, 2, and 3 may be combined.
3. The claim must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year claimant's claim for an alcohol fuel mixture sold or used during June and July must be filed by September 30.

Note. If requirements 1–3 above are not met, see *Annual Claims under Additional Information for Schedules 1, 2, and 3* in the Form 8849 instructions.

How to claim the credit. Any alcohol fuel mixture credit must first be taken on Schedule C to reduce your taxable fuel liability reported on Form 720. Any excess credit may be taken on Schedule C (Form 720), Form 8849, Form 4136, or Form 6478. See Notice 2005-4 and Notice 2005-62 for more information.

Line 2. Biodiesel or Renewable Diesel Mixture Credit

Claimant. The person that produced and sold or used the mixture in their trade or business is the only person eligible to make this claim. The credit is based on the gallons of biodiesel or renewable diesel in the mixture. The biodiesel used to produce the biodiesel mixture must meet ASTM D6751 and meet the Environmental Protection Agency's (EPA) registration requirements for fuels and fuel additives under section 211 of the Clean Air Act. The renewable diesel used to produce the renewable diesel mixture must be derived from biomass (as defined in section 45K(c)(3)) using a thermal depolymerization process, meet ASTM D975 or D396, and meet EPA's registration requirements for fuels and fuel additives under section 211 of the Clean Air Act.

Claim requirements. The following requirements must be met.

1. The claim must be for a biodiesel or renewable diesel mixture sold or used during a period that is at least 1 week.
2. The claimant has a certificate from the producer. See *Certificate below* for details.
3. The amount of the claim must be at least \$200 unless the claim is filed electronically. To meet the minimum, amounts from lines 1, 2, and 3 may be combined.

4. The claim must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year claimant's claim for a biodiesel mixture sold or used during June and July must be filed by September 30.

Note. If requirements 1–4 above are not met, see *Annual Claims under Additional Information for Schedules 1, 2, and 3* in the Form 8849 instructions.

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Certificate. The Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller must be attached to the first claim filed that is supported by the certificate or statement. For the renewable diesel mixture credit, you must edit the certificate and, if applicable, statement to indicate that the fuel to which the certificate and statement relate is renewable diesel and state the renewable diesel meets the requirements discussed above under *Claimant*. See Model Certificate O and Model Certificate S in Pub. 510. If the certificate and statement are not attached to Schedule 3 because they are attached to a previously-filed claim on Schedule C (Form 720) ~~for the biodiesel~~, attach a separate sheet with the following information.

1. Certificate identification number.
2. Total gallons of biodiesel ~~or renewable diesel~~ on certificate.
3. Total gallons claimed on Schedule C (Form 720), line 13.

How to claim the credit. Any biodiesel or renewable diesel mixture credit must first be taken on Schedule C to reduce your taxable fuel liability reported on Form 720. Any excess credit may be taken on Schedule C (Form 720), Form 8849, Form 4136, or Form 8864. See Notice 2005-4 and Notice 2005-62 for more information.

Line 3. Alternative Fuel Credit and Alternative Fuel Mixture Credit

Claimant. For the alternative fuel credit, the registered alternative fueler who (1) sold an alternative fuel at retail and delivered it into the fuel supply tank of a motor vehicle or motorboat, (2) sold an alternative fuel, delivered it in bulk for taxable use in a motor vehicle or motorboat, and received the required statement from

the buyer, or (3) used an alternative fuel (not sold at retail or in bulk as previously described) in a motor vehicle or motorboat is the only person eligible to make this claim.

For the alternative fuel mixture credit, the registered alternative fueler that produced and sold or used the mixture as a fuel in their trade or business is the only person eligible to make this claim. The credit is based on the gallons of alternative fuel in the mixture.

Claim requirements. The following requirements must be met.

1. You must be registered by the IRS.
2. The claim must be for an alternative fuel or alternative fuel mixture sold or used (as described above under *Claimant*) during a period that is at least 1 week.
3. The amount of the claim must be at least \$200 unless the claim is filed electronically. To meet the minimum, amounts from lines 1, 2, and 3 may be combined.
4. The claim must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year claimant's claim for an alternative fuel mixture sold or used during June and July must be filed by September 30.

Note. If requirements 2–4 above are not met, see *Annual Claims* under *Additional Information for Schedules 1, 2, and 3* in the Form 8849 instructions.

How to claim the credit. Any alternative fuel credit and alternative fuel mixture credit must first be taken on Schedule C to reduce your taxable fuel liability on Form 720. Any excess credit may be taken on Schedule C (Form 720), Form 8849, or Form 4136.

