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Instructions for Form 4136

Credit for Federal Tax Paid on Fuels

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 4136 and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form4136.

What's New



At the time these instructions went to print, the biodiesel and renewable diesel fuels credit formerly claimed on lines 10 and 12 had expired. You can't claim the credit on lines 10 and 12 for fuel sold or used after 2017. Lines 10 and 12 are now shown as "Reserved for future use" in case Congress extends the credit for 2018. To find out if legislation extended the credit so you can claim it on your 2018 return, go to IRS.gov/Extenders.

General Instructions

Purpose of Form

Use Form 4136 to claim the following.

- A credit for certain nontaxable uses (or sales) of fuel during your income tax year.
- A credit for blending a diesel-water fuel emulsion.
- A credit for exporting dyed fuels or gasoline blendstocks.

Attach Form 4136 to your tax return.

Instead of waiting to claim an annual credit on Form 4136, you may be able to file:

- Form 8849, Claim for Refund of Excise Taxes, to claim a periodic refund; or
- Form 720, Quarterly Federal Excise Tax Return, to claim a credit against your excise tax liability.



You can't claim any amounts on Form 4136 that you claimed on Form 8849 or Form 720, Schedule C. If you report a tax liability on Form 720, you may be required to offset your tax liability with any credits you claim before claiming a credit on Form 4136 or a refund on Form 8849.

Form 4136 can't be used by ultimate vendors to make gasoline claims.

Partnerships. Partnerships (other than electing large partnerships) can't file this form. Instead, they must include a statement on Schedule K-1 (Form 1065) showing the allocation to each partner specifying the number of gallons of each fuel used during the tax year, the applicable credit per gallon, the nontaxable use or

sale, and any additional information required to be submitted.

Additional Information

- Pub. 510, Excise Taxes.
- Pub. 225, Farmer's Tax Guide.
- Notice 2005-4 (alcohol and biodiesel fuels; off-highway vehicles; aviation-grade kerosene; diesel fuel in buses; displaying registration on vessels; sales of gasoline to states, towns, and educational nonprofits; two-party exchanges of taxable fuel; and classifying transmix and diesel fuel blendstocks as diesel fuel). You can find Notice 2005-4 in I.R.B. 2005-2 at IRS.gov/IRB/2005-02_IRB#NOT-2005-4.
- Notice 2005-62 (certificates for biodiesel, aviation-grade or nontaxable use kerosene); in I.R.B. 2005-35 at IRS.gov/IRB/2005-35_IRB#NOT-2005-62.
- Notice 2005-80 (LUST tax, treatment of kerosene for use in aviation, credit card sales of taxable fuel to exempt entities, diesel-water fuel emulsions, mechanical dye injection of diesel fuel and kerosene); in I.R.B. 2005-46 at IRS.gov/IRB/2005-46_IRB#NOT-2005-80.
- Notice 2006-92 (alternative fuels and alternative fuel mixtures); in I.R.B. 2006-43 at IRS.gov/IRB/2006-43_IRB#NOT-2006-92.
- Notice 2007-97 (alternative fuel and alternative fuel mixtures defined); in 2007-49 I.R.B. 1092, at IRS.gov/IRB/2007-47_IRB#NOT-2007-97.
- Notice 2008-110 (biodiesel and cellulosic biofuel); in 2008-51 I.R.B. 1298, at IRS.gov/IRB/2008-51_IRB#NOT-2008-110.
- Notice 2010-68 (Alaska dyed diesel exemption); in Notice 2010-44 I.R.B. 576, at IRS.gov/IRB/2010-44_IRB#NOT-2010-68.

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.

Including the Fuel Tax Credit in Income

You must include in your gross income the amount of the credit from line 17 if you took a deduction on your tax return that included the amount of the taxes and that deduction reduced your income tax liability. See Pub. 510.

Specific Instructions

How To Make a Claim

Complete all information requested for each claim you make. You must enter the number (when requested) from the [Type of Use Table](#), the number of gallons, or gasoline or diesel gallon equivalents (GGE or DGE) (compressed natural gas (CNG), liquefied petroleum gas (LPG), and

liquefied natural gas (LNG) only), and the amount of credit. If you need more space for any line (for example, for more types of use), prepare a separate statement using the same format as the line.

Attach a separate statement showing any additional information required for your claim, such as the computation of the amount to be credited. Write your name and taxpayer identification number (TIN) on each statement.

Amount of credit. Generally, multiply the rate by the number of gallons. For line 11, enter the number of gallons, or gasoline or diesel gallon equivalents (CNG, LPG, and LNG only). Enter the result (or the combined result as indicated by the brackets) in the *Amount of credit* column. Include amounts from any separate statement.

Exported taxable fuel. The claim rates for exported taxable fuel are listed on lines 1d, 2c, 3e, 4d, 14b, 16a, and 16b. Taxpayers making a claim for exported taxable fuel must keep proof of exportation with their records. Proof of exportation includes:

- A copy of the export bill of lading issued by the delivering carrier,
- A certificate by the agent or representative of the export carrier showing actual exportation of the fuel,
- A certificate of lading signed by a customs officer of the foreign country to which the fuel is exported, or
- A statement of the foreign consignee showing receipt of the fuel.

Type of Use Table

The following table lists the nontaxable uses of fuels. You must enter the number from the table in the *Type of use* column on Form 4136.

No.	Type of Use
1	On a farm for farming purposes
2	Off-highway business use (for business use other than in a highway vehicle registered or required to be registered for highway use)
3	Export
4	In a boat engaged in commercial fishing
5	In certain intercity and local buses
6	In a qualified local bus
7	In a bus transporting students and employees of schools (school buses)
8	For diesel fuel and kerosene (other than kerosene used in aviation) used other than as a fuel in the propulsion engine of a train or diesel-powered highway vehicle (but not off-highway business use)
9	In foreign trade
10	Certain helicopter and fixed-wing aircraft uses
11	Exclusive use by a qualified blood collector organization
12	In a highway vehicle owned by the United States that isn't used on a highway
13	Exclusive use by a nonprofit educational organization
14	Exclusive use by a state, political subdivision of a state, or the District of Columbia
15	In an aircraft or vehicle owned by an aircraft museum
16	In military aircraft

Types of use 13 and 14. Generally, claims for sales of diesel fuel, kerosene, kerosene for use in aviation, gasoline, or aviation gasoline for the exclusive use of a state or local government (or nonprofit educational organization for gasoline or aviation gasoline) must be made in the following order.

1. By the registered credit card issuer if the state or local government (or nonprofit educational organization, if applicable) used a credit card and the credit card issuer meets the four requirements discussed in [Line 13. Registered Credit Card Issuers](#), later. If the credit card issuer fails to meet any of the requirements to be a registered user, only the ultimate purchaser may make this claim.

2. If the ultimate purchaser didn't use a credit card to purchase the fuel, then the registered ultimate vendor is the only person eligible to make the claim. Additionally, the registered ultimate vendor must have either borne the economic burden of the tax or received the consent of the ultimate purchaser to make the claim. See *Information for Claims on Lines 6–8*, earlier for additional information.

Additional requirements that must be met are in Pub. 510.



An income tax credit for gasoline and aviation gasoline can be claimed on Form 4136 by the ultimate purchaser only. Claims by registered credit card issuers and registered ultimate vendors for gasoline and aviation gasoline sold to a state or local government or nonprofit educational organization must be made on Form 8849 or Form 720, Schedule C.

Line 1. Nontaxable Use of Gasoline

Claimant. The ultimate purchaser of the gasoline is the only person eligible to make this claim.

Allowable uses. A claim can't be made for personal use of any fuel on line 1. Also, for lines 1a and 1c, a claim can't be made for any use in a motorboat, other than commercial fishing.

For line 1a, the gasoline must have been used during the period of claim for a business use other than in a highway vehicle registered (or required to be registered) for highway use (type of use 2).

For line 1b, the gasoline must have been used during the period of claim on a farm for farming purposes (type of use 1).

For line 1c, the gasoline must have been used during the income tax year for type of use 4, 5, 7, 11, 13, 14, or 15. For type of use 13 or 14, the claimant must not have waived the right to make a claim. See [Types of use 13 and 14](#), earlier.

For line 1d, the gasoline must have been exported during the period of claim (type of use 3). See [Exported taxable fuel](#), earlier.

Line 2. Nontaxable Use of Aviation Gasoline

Claimant. The ultimate purchaser of the aviation gasoline is the only person eligible to make this claim.

Allowable uses. For line 2b, the aviation gasoline must have been used during the period of claim for type of use 1, 2, 9, 10, 11, 13, 14, or 15. For type of use 13 or 14, the claimant must not have waived the right to make a claim. See [Types of use 13 and 14](#), earlier.

Use line 2b to make a claim for aviation gasoline used outside the propulsion system of an aircraft.

For line 2c, the aviation gasoline must have been exported during the period of claim (type of use 3). See [Exported taxable fuel](#), earlier.

For line 2d, the aviation fuel must have been used in foreign trade to claim a credit for the LUST tax paid (type of use 9).

Line 3. Nontaxable Use of Undyed Diesel Fuel

Claimant. The ultimate purchaser of the diesel fuel is the only person eligible to make this claim.

Allowable uses. For line 3a, the diesel fuel must have been used during the period of claim for type of use 2, 6, 7, 8, 11, 13, 14, or 15. For line 3d, the claimant must not have waived the right to make a claim. See [Types of use 13 and 14](#), earlier. Type of use 8 includes use as heating oil and use in a motorboat.

For line 3e, the diesel fuel must have been exported during the period of claim (type of use 3). See [Exported taxable fuel](#), earlier.

Line 4. Nontaxable Use of Undyed Kerosene (Other Than Kerosene Used in Aviation)

Claimant. The ultimate purchaser of the kerosene is the only person eligible to make this claim.

Allowable uses. For line 4a, the kerosene must have been used during the period of claim for type of use 2, 6, 7, 8, 11, 13, 14, or 15. Line 4b doesn't include claims for kerosene used in aviation for farming purposes; instead, see [Line 5. Kerosene Used in Aviation](#) below. For line 4c, the claimant must not have waived the right to make a claim. See [Types of use 13 and 14](#), earlier. Type of use 8 includes use as heating oil and use in a motorboat.

For line 4d, the kerosene must have been exported during the period of claim (type of use 3). See [Exported taxable fuel](#), earlier.

For lines 4e and 4f, the kerosene must have been used during the period of claim for type of use 2.

TIP You can claim a credit for the tax on undyed kerosene you purchased (other than from a blocked pump) and used in your home for heating, lighting, or cooking.

To claim the credit on line 4a for home use, complete the following steps.

1. Enter 8 in col. (a).
2. Enter the number of gallons of kerosene in col. (c).
3. Multiply the gallons in col. (c) by \$.243. Enter the result in col. (d).
4. If this is the only fuel tax credit you are claiming, enter the amount from col. (d) on:
 - a. Form 4136, line 17; and
 - b. Schedule 5 (Form 1040), line 73.

Line 5. Kerosene Used in Aviation

Claimant. For lines 5a and 5b, the ultimate purchaser of kerosene used in commercial aviation (other than foreign trade) is eligible to make this claim. For lines 5c, 5d, and 5e, the ultimate purchaser of kerosene used in noncommercial aviation (other than nonexempt, noncommercial aviation and exclusive use by a state, political subdivision of a state, or the District of Columbia) is eligible to make this claim. By making this claim, the claimant is certifying that it hasn't waived the right to make the claim.

Allowable uses. For lines 5a and 5b, the kerosene must have been used during the period of claim in commercial aviation. If the claimant buys kerosene partly for use in commercial aviation and partly for use in noncommercial aviation, see the rules in [Notice 2005-80](#), section 3(e)(3).

For lines 5c and 5d, the kerosene must have been used during the period of claim for type of use 1, 9, 10, 11, 13, 15, or 16.

For line 5e, the kerosene must have been used during the period of claim for type of use 9. This claim is made in

addition to the claim made on lines 5c and 5d for type of use 9. Depending on the tax rate of the kerosene, use line 4a, 4e, or 4f to make a claim for kerosene used outside the propulsion system of an aircraft.

Information for Claims on Lines 6–8

Registration number. To make an ultimate vendor claim on lines 6–8, you must be registered. Enter your registration number, including the prefix, on the applicable line for your claim. If you aren't registered, use Form 637 to register.

Required certificates or waiver. The required certificates or waivers for lines 6–8 are listed in the line instructions and are available in Pub. 510.

Line 6a. Sales by Registered Ultimate Vendors of Undyed Diesel Fuel for Use by a State or Local Government

Claimant. For line 6a, the registered ultimate vendor of the diesel fuel is the only person eligible to make this claim. The registered ultimate vendor must have obtained the required certificate from the buyer and must have no reason to believe any information in the certificate is false. See *Model Certificate P* in Pub. 510. Only one claim may be filed for any gallon of diesel fuel.

Allowable sales. The fuel must have been sold during the period of claim for the exclusive use by a state or local government (including essential government use by an Indian tribal government).

Registration number. Enter your UV registration number in the space provided.

Information to be submitted. For claims on line 6a, attach a separate statement with the name and TIN of each governmental unit to whom the diesel fuel was sold and the number of gallons sold to each.

Line 6b. Sales by Registered Ultimate Vendors of Undyed Diesel Fuel for Use in Certain Intercity and Local Buses

Claimant. For line 6b, the registered ultimate vendor of the diesel fuel is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver N* in Pub. 510. Only one claim may be filed for any gallon of diesel fuel.

Registration number. Enter your UB registration number in the space provided.

Lines 7a and 7b. Sales by Registered Ultimate Vendors of Undyed Kerosene (Other Than Kerosene for Use in Aviation)

Claimant. For line 7a, the registered ultimate vendor of the kerosene is the only person eligible to make this claim. The registered ultimate vendor must have obtained the required certificate from the buyer and must have no reason to believe any information in the certificate is false. See *Model Certificate P* in Pub. 510. For line 7b, the

claimant must have a statement, if required, that contains the date of sale, name and address of the buyer, and the number of gallons of kerosene sold to the buyer. For lines 7a and 7b, only one claim may be filed for any gallon of kerosene.

Allowable sales. The fuel must have been sold during the period of claim:

- For line 7a, for use by a state or local government (including essential government use by an Indian tribal government); or
- For line 7b, from a blocked pump.

Registration number. Enter your UV or UP registration number in the space provided.

Information to be submitted. For claims on line 7a, attach a separate statement with the name and TIN of each governmental unit to whom the kerosene was sold and the number of gallons sold to each.

Line 7c. Sales by Registered Ultimate Vendors of Undyed Kerosene for Use in Certain Intercity and Local Buses

Claimant. For line 7c, the registered ultimate vendor of the kerosene is eligible to make a claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver N* in Pub. 510. Only one claim may be filed for any gallon of kerosene.

Registration number. Enter your UB registration number in the space provided.

Lines 8a and 8b. Sales by Registered Ultimate Vendors of Kerosene for Use in Commercial Aviation (Other Than Foreign Trade)

Claimant. The registered ultimate vendor of the kerosene sold for use in commercial aviation is eligible to make this claim only if the buyer waives his or her right by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver L* in Pub. 510. Only one claim may be filed for any gallon of kerosene sold for use in commercial aviation.

Allowable sales. The kerosene sold for use in commercial aviation must have been sold during the period of claim for use in commercial aviation (other than foreign trade).

Registration number. Enter your UA registration number in the space provided.

Lines 8c, 8d, 8e, and 8f. Sales by Registered Ultimate Vendors of Kerosene Sold for Use in Noncommercial Aviation

Claimant. For line 8c, the registered ultimate vendor of the kerosene sold for use in nonexempt, noncommercial aviation is the only person eligible to make this claim. The registered ultimate vendor must have obtained the required certificate from the ultimate purchaser. See *Model Certificate Q* in Pub. 510. For lines 8d, 8e, and 8f, the registered ultimate vendor of the kerosene sold for

nontaxable use in noncommercial aviation (foreign trade for line 8f) is eligible to make this claim only if the buyer waives his or her right to make the claim by providing the registered ultimate vendor with an unexpired waiver. See *Model Waiver L* in Pub. 510. For type of use 14, see *Model Certificate P* in Pub. 510. Only one claim may be filed for any gallon of kerosene sold for use in noncommercial aviation.

Allowable sales. For line 8c, the kerosene must have been sold for a nonexempt use in noncommercial aviation. For lines 8d and 8e, the kerosene sold for use in noncommercial aviation must have been sold during the period of claim for type of use 1, 9, 10, 11, 13, 14, 15, or 16.

For line 8f, the kerosene sold for use in noncommercial aviation must have been sold during the period of claim for type of use 9. This claim is made in addition to the claim made on lines 8d and 8e for type of use 9.

Registration number. Enter your UA (UV if type of use 14) registration number in the space provided.

Line 9. Reserved for future use.

Line 10. Reserved for future use.

Line 11. Nontaxable Use of Alternative Fuel

Claimant. The ultimate purchaser of the taxed alternative fuel is the only person eligible to make this claim.

Allowable uses. The alternative fuel must have been used during the period of claim for type of use 1, 2, 4, 5, 6, 7, 11, 13, 14, or 15.

Type of use 5. Write "Bus" in the space to the left of column (a). Enter the correct claim rate in column (b). The claim rates for type of use 5 are listed below.

Line number	Claim rate
11a	\$.109*
11b	.110
11c	.109**
11d	.110
11e	.17
11f	.17
11g	.169***
11h	.110

For sales or uses of fuel after December 31, 2015: (*) This is the claim rate per GGE (5.75 pounds or 1.353 gallons of LPG); (**) This is the claim rate per GGE (5.66 pounds or 123.57 cubic ft. of CNG); (***) This is the claim rate per DGE (6.06 pounds or 1.71 gallons of LNG)

Type of use 5 example. 10,000 gallons of LPG ÷ 1.353 = 7,391 GGE x \$.109 = \$805.62 claim amount.

Line 12. Reserved for future use.

Line 13. Registered Credit Card Issuers

Claimant. The registered credit card issuer is the only person eligible to make this claim if the credit card issuer:

- Is registered by the IRS;
- Hasn't collected the amount of tax from the ultimate purchaser or has obtained the written consent of the ultimate purchaser to make the claim;
- Certifies that it has repaid or agreed to repay the amount of tax to the ultimate vendor, has obtained the written consent of the ultimate vendor to make the claim, or has otherwise made arrangements which directly or indirectly provide the ultimate vendor with reimbursement of the tax; and
- Has in its possession an unexpired certificate from the ultimate purchaser and has no reason to believe any of the information in the certificate is false. See *Model Certificate R* in Pub. 510.

If any of these conditions isn't met, the credit card issuer must collect the tax from the ultimate purchaser and only the ultimate purchaser can make the claim.

Allowable sales. The diesel fuel, kerosene, or kerosene for use in aviation must have been purchased with a credit card issued to the ultimate purchaser during the period of claim for the exclusive use by a state or local government (including essential government use by an Indian tribal government).

Registration number. Enter your CC registration number in the space provided.



For line 13c, if the kerosene was taxed at \$.244, the claim rate is \$.243. Write "Taxed at \$.244" in the space to the left of column (b). Enter \$.243 in column (b).

Line 14. Nontaxable Use of a Diesel-Water Fuel Emulsion

Claimant. The ultimate purchaser of the diesel-water fuel emulsion is the only person eligible to make this claim.

Allowable uses. For line 14a, the diesel-water fuel emulsion must have been used during the period of claim for type of use 1, 2, 5, 6, 7, 8, 11, 13, 14, or 15. For line 14b, the diesel-water fuel emulsion must have been exported during the period of claim (type of use 3). See *Exported taxable fuel*, earlier.

Type of use 5. Write "Bus" in the space to the left of column (a). Enter the correct claim rate in column (b). The claim rate for type of use 5 is \$.124 per gallon.

Line 15. Diesel-Water Fuel Emulsion Blending

Claimant. The person that produced (the blender) and sold or used the diesel-water fuel emulsion is the only person eligible to make this claim.

Registration number. Enter your M registration number in the space provided.

Information to be submitted. The blender must attach a statement to the claim certifying that:

- The diesel-water fuel emulsion contains at least 14% water,

- The emulsion additive is registered by a U.S. manufacturer with the EPA under section 211 of the Clean Air Act,
- Undyed diesel fuel taxed at \$.244 was used to produce the diesel-water fuel emulsion, and
- The diesel-water fuel emulsion was used or sold for use in the blender's trade or business.

Line 16. Exported Dyed Fuel and Exported Gasoline Blendstocks

Claimant. The person that exported dyed diesel fuel or dyed kerosene during the period of claim is the only person eligible to make this claim. See [Exported taxable fuel](#), earlier.

Paperwork Reduction Act Notice. We ask for the information on Form 4136 to carry out the Internal Revenue laws of the United States. 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 aren't required to provide the information requested on a form that is subject to the Paperwork

Reduction Act 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 section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is approved under OMB control number 1545-0074 and is included in the estimates shown in the Instructions for Form 1040. The estimated burden for all other taxpayers is:

Recordkeeping, 36 hr., 56 min.; **Learning about the law or the form**, 30 min.; **Preparing, copying, assembling, and sending the form to the IRS**, 59 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making Form 4136 simpler, we'd be happy to hear from you. You can write to us at the address listed in the instructions of the tax return with which Form 4136 is filed.
