Schedule 1 (Form 8849)
(Rev. February 2007)
Department of the Treasury
Internal Revenue Service

Nontaxable Use of Fuels

▶ Attach to Form 8849.
▶ See instructions.

OMB No. 1545-1420

Name as shown on Form 8849	EIN or SSN	Total refund (see instructions)
		$

Caution. *Claimant has the name and address of the person who sold the fuel to the claimant and the dates of purchase. For claims on lines 1a and 2b (type of use 13 and 14), 3e, 4c, and 5, claimant has not waived the right to make the claim. For claims on lines 1a and 2b (types of use 13 and 14), claimant certifies that a certificate has not been provided to the credit card issuer.*

Period of claim: Enter month, day, and year in *MMDDYYYY* format. **From** ▶ **To** ▶

1 Nontaxable Use of Gasoline	**(a) Type of use**	**(b) Rate**	**(c) Gallons**	**(d) Amount of refund** *Multiply col. (b) by col. (c)*		**(e) CRN**
a Gasoline (see **Caution** above line 1)		$ .183		$		362
b Exported		.184				411
2 Nontaxable Use of Aviation Gasoline						
a Use in commercial aviation (other than foreign trade)		$ .15		$		354
b Other nontaxable use (see **Caution** above line 1)		.193				324
c Exported		.194				412

3 Nontaxable Use of Undyed Diesel Fuel

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

	(a) Type of use	**(b) Rate**	**(c) Gallons**	**(d) Amount of refund** *Multiply col. (b) by col. (c)*		**(e) CRN**
a Nontaxable use		$ .243		$		360
b Use on a farm for farming purposes		.243				
c Use in trains (before January 1, 2007)		.22				353
d Use in trains (after December 31, 2006)		.243				353
e Use in certain intercity and local buses (see **Caution** above line 1)		.17				350
f Exported		.244				413

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

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

Caution. *Claims cannot be made on line 4 for kerosene sales from a blocked pump. Only registered ultimate vendors may make those claims using Schedule 2.*

	(a) Type of use	**(b) Rate**	**(c) Gallons**	**(d) Amount of refund** *Multiply col. (b) by col. (c)*		**(e) CRN**
a Nontaxable use		$ .243		$		346
b Use on a farm for farming purposes		.243				
c Use in certain intercity and local buses (see **Caution** above line 1)		.17				347
d Exported		.244				414

5 Kerosene Used in Aviation (see **Caution** above line 1)

	(a) Type of use	**(b) Rate**	**(c) Gallons**	**(d) Amount of refund** *Multiply col. (b) by col. (c)*		**(e) CRN**
a Kerosene used in commercial aviation (other than foreign trade) taxed at $.244		.200		$		417
b Kerosene used in commercial aviation (other than foreign trade) taxed at $.219		.175				355
c Nontaxable use (other than use by state or local government) taxed at $.244		.243				346
d Nontaxable use (other than by state or local government) taxed at $.219		.218				369

6 Nontaxable Use of Liquefied Petroleum Gas (LPG) (before October 1, 2006)

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund *Multiply col. (b) by col. (c)*		(e) CRN
a Use in certain intercity and local buses		$ .062		$		352
b Use in qualified local buses and in school buses		.136				361
c Other nontaxable use		.136				395

7 Nontaxable Use of Alternative Fuel (after September 30, 2006)

Caution. *There is a reduced credit rate for use in certain intercity and local buses (type of use 5). See page 4 for the credit rate.*

	(a) Type of use	(b) Rate	(c) Gallons or gasoline gallon equivalents (GGE)	(d) Amount of refund *Multiply col. (b) by col. (c)*		(e) CRN
a Liquefied petroleum gas (LPG)		$ .183		$		419
b "P Series" fuels		.183				420
c Compressed natural gas (CNG) (GGE=126.67 cu. ft.)		.183				421
d Liquefied hydrogen		.183				422
e Any liquid fuel derived from coal (including peat) through the Fischer-Tropsch process		.243				423
f Liquid hydrocarbons derived from biomass		.243				424
g Liquefied natural gas (LNG)		.243				425

8 Nontaxable Use of a Diesel-Water Fuel Emulsion

Caution. *There is a reduced credit rate for use in certain intercity and local buses (type of use 5). See page 4 for the credit rate.*

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund *Multiply col. (b) by col. (c)*		(e) CRN
a Nontaxable use		$ .197		$		309
b Exported		.198				306

9 Exported Dyed Fuel

	(a) Type of use	(b) Rate	(c) Gallons	(d) Amount of refund *Multiply col. (b) by col. (c)*		(e) CRN
a Exported dyed diesel fuel		$ .001		$		415
b Exported dyed kerosene		.001				416

Instructions

What's New

- Claims by the ultimate purchaser for nontaxable use of kerosene used in noncommercial aviation can be made on lines 5c and 5d. The purchaser must use the kerosene for an exempt aviation purpose (other than nonexempt use in noncommercial aviation and exclusive use by a state, political subdivision of a state, or the District of Columbia) and not waive the right to the claim to the registered ultimate vendor.
- After September 30, 2006, liquefied petroleum gas (LPG) is considered an alternative fuel. Claims for nontaxable use of LPG before October 1, 2006, are made on line 6. If the nontaxable use occurs after September 30, 2006, the claim must be made on line 7a.
- After December 31, 2006, qualified blood collector organizations are exempt users of fuel taxed under section 4081. Type of use 11, Exclusive use by a qualified blood collector organization, has been added to the *Type of Use Table* in the Form 8849 instructions. Two conditons must be met to apply for the credit.

1. The fuel is used for the organization's exclusive use in the collection, storage, or transportation of blood.

2. The organization is registered by the IRS. To apply for registration, see Form 637, Application for Registration (For Certain Excise Tax Activities).

Purpose of Schedule

An ultimate purchaser of certain fuels uses Schedule 1 to make a claim for refund. The fuels for which a claim can be made are listed on the form. The fuel must have been used in a nontaxable use. See *Type of Use* below and the instructions for lines 1 through 9 for more information.

Claim Requirements

The following requirements must be met.

1. The amount claimed on Schedule 1 must be at least $750. This amount may be met by:

a. Making a claim for fuel used during any quarter of a claimant's income tax year or

b. Aggregating amounts from any quarters of the claimant's income tax year for which no other claim has been made.

2. The claim must be filed during the first quarter following the last quarter included in the claim. For example, a claim for the quarters consisting of July through September and October through December must be filed between January 1 and March 31.

3. Only one claim may be filed for a quarter.

Note. If requirements 1–3 above are not met, see *Annual Claims* in the Form 8849 instructions.

Total Refund

Add all amounts in column **(d)** and enter the result in the total refund box at the top of the schedule.

Type of Use

The fuel must have been used for one or more of the types of use listed in the instructions for lines 1 through 8. The nontaxable uses are listed in the *Type of Use Table* in the Form 8849 instructions.

Exported taxable fuel. The claim rates for exported taxable fuel are listed on lines 1b, 2c, 3f, 4d, 9a, and 9b. Taxpayers making a claim for exported taxable fuel must include with their records proof of exportation. 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.

How To File

Attach Schedule 1 to Form 8849. Mail to the IRS at the address under *Where To File* in the Form 8849 instructions.

Line 1. Nontaxable Use of Gasoline

Allowable uses. For line 1a, the gasoline must have been used during the period of claim for type of use 2, 4, 5, 7, 11, 12, 13, 14, or 15. Type of use 2 does not include any personal use or use in a motorboat. See *Type of use 13 and 14* in the Form 8849 instructions.

For line 1b, 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

Allowable uses. For line 2b, the aviation gasoline must have been used during the period of claim for type of use 9, 10, 11, 13, 14, 15, or 16. See *Type of use 13 and 14* in the Form 8849 instructions.

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

Line 3. Nontaxable Use of Undyed Diesel Fuel

Allowable uses. For line 3a, the diesel fuel must have been used during the period of claim for type of use 2, 5, 6, 7, 8, 11, 12, 13, 14, or 15. Type of use 8 includes use as heating oil and use in a boat. Type of use 2 does not include any personal use or use in a motorboat. See *Type of use 13 and 14* in the Form 8849 instructions.

For line 3f, 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)

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, 12, 13, 14, 15, or 16. Type of use 8 includes use as heating oil and use in a boat. Type of use 2 does not include any personal use or use in a motorboat. See *Type of use 13 and 14* in the Form 8849 instructions.

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

Line 5. Kerosene Used in Aviation

Claimant. Claimant certifies that the right to make the claim has not been waived. 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 and 5d, the ultimate purchaser of kerosene used in noncommercial aviation (except for 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. For sales after December 19, 2006, the ultimate purchaser certifies that the right to make this claim has not been waived. For sales before December 20, 2006, the ultimate purchaser is not eligible to make this

claim if the ultimate vendor did not include the tax in the price of the kerosene and has not collected the tax from the ultimate purchaser, has repaid the tax to the ultimate purchaser, or has the written consent of the ultimate purchaser waiving the right to make this claim.

Allowable uses. For lines 5a and 5b, 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.

Line 6. Nontaxable Use of Liquefied Petroleum Gas (LPG) (before October 1, 2006)

Allowable uses. For line 6c, the taxed LPG (such as propane or butane) must have been used during the period of claim for type of use 1, 2, 4, 13, 14, or 15.

Line 7. Nontaxable Use of Alternative Fuel (after September 30, 2006)

Allowable uses. The taxed alternative fuel must have been used after September 30, 2006, 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 credit rate in column **(b).** The credit rates for type of use 5 are listed below.

Line number	Credit rate
7a	$.109
7b	.110
7c	.109*
7d	.110
7e	.17
7f	.17
7g	.169
*This is the credit rate per gasoline gallon equivalent (126.67 cubic feet of CNG).	

Line 8. Nontaxable Use of a Diesel-Water Fuel Emulsion

Allowable uses. For line 8a, 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, 12, 13, 14, or 15. For line 8b, the diesel-water fuel emulsion must have been exported during the period of claim (Type of use 3). See *Exported taxable fuel* on page 3.

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

Line 9. Exported Dyed Fuel

A claim may be made for dyed diesel fuel or dyed kerosene exported in a trade or business during the period of claim. See *Exported taxable fuel* on page 3.