

**INSTRUCTIONS FOR MAINE  
SPECIAL FUEL SUPPLIER/RETAILER TAX RETURN  
Form SFS-1**

- The following instructions are for the Special Fuel Supplier (Distillates) and the Retailer (Low Energy Fuel) columns of the tax return.
- **Do not report dyed distillate inventories or receipts on this return.** If clear distillates are re-branded to dyed fuel, include the re-branded gallons in Line 10a (Total Gallons Sold and Used) and Line 18a (Dyed Fuel).
- Report inventories, receipts, sales and excise tax for distillates (diesel, kero, bio-diesel, distillate blends) on this tax return.
- Reporting for low-energy fuels (propane, methanol, ethanol, natural gas) is required if you are required to be registered with Maine Revenue as a Low-Energy Fuel Retailer or have a taxable use of low-energy fuel. Note - unblended ethanol or methanol is reported on the Gasoline Distributor Tax Return in the month the gallons are blended with gasoline. Contact Maine Revenue Services for assistance in determining which fuels must be reported by Low-Energy Fuel Retailers and for guidance in reporting low-energy fuel measured in cubic feet.
- Blank forms, schedules, instructions, fuel tax rates, a list of licensed special fuel suppliers and other tax information are available from Maine Revenue at [www.maine.gov/revenue/fueltax](http://www.maine.gov/revenue/fueltax).
- Maine requires distillate reporting in “gross” gallons. Reporting should be on a calendar month basis.
- Records are required to be retained for a period of at least six years.
- Instructions specific to low-energy fuel are provided after instructions for Special Fuel Supplier reporting.

**RECEIPTS – DISTILLATES**

**Line 1a – Beginning Inventory.** Total gallons in bulk storage at the beginning of the reporting period. (Do not include gallons in a retail tank). If there are multiple products, combine all inventories. Inventories should not be negative.

**Line 2a – Gallons Received – Tax Paid.** Gallons received from any source on which Maine excise tax has been paid. Attach **Schedule 1** for each fuel type. A credit for excise tax paid is taken on line 28a.

**Line 3a – Gallons Received – Tax Unpaid.** Gallons received from sources within Maine. Attach **Schedule 2** for each fuel type.

**Line 4a – Gallons Imported – Direct to Customer.** Gallons imported to Maine, tax exempt, which were delivered directly to a customer in Maine. Attach **Schedule 3** for each fuel type.

**Line 5a – Gallons Imported – Bulk Storage.** Gallons received from outside Maine, tax exempt, delivered into your bulk storage. Attach **Schedule 4** for each fuel type.

**Line 6a – Total Receipts.** Add lines 2a, 3a, 4a and 5a.

**Line 7a – Available Gallons.** Line 1a (Beginning Inventory) plus Line 6a (Total Receipts).

**Line 8a – Ending Inventory.** Gallons in inventory at the end of the month. If there are multiple products, combine all inventories. Inventories should not be negative.

**Line 9a – Accountable Gallons.** Line 7a (Available Gallons) minus Line 8a (Ending Inventory).

## **DISTRIBUTIONS – DISTILLATES**

**(Gallons re-branded from clear to dyed fuel should be reported on Lines 10a and 18a.)**

**Line 10a – Total Gallons Sold and Used.** Total gallons sold and used during the reporting period. (Note - gallons delivered into a retail tank are considered sold at the time the gallons are delivered into the retail tank). Total Gallons Sold may vary from Accountable Gallons. Do not include adjustments for gains or losses on this return. Any gains or losses will be reported on the annual Shrinkage Return.

**Line 11a – Sales for Heating and Cooking.** Total gallons of clear distillates sold exempt from Maine excise tax for use by the customer for heating or cooking.

**Line 12a – Sales to U. S. Government.** Gallons sold in bulk, excise tax exempt to the United States Government. Attach **Schedule 8** for each product type.

**Line 13a – Sales to Other Suppliers.** Gallons sold in bulk, excise tax exempt, to other licensed special fuel suppliers. Attach **Schedule 6** for each product type.

**Line 14a – Power Generation for Resale.** Gallons sold in bulk, excise tax exempt, for the generation of power for resale or manufacturing. Attach **Schedule 10** for each product type.

**Line 15a – Exports.** Gallons sold and exported by your company to a destination outside of Maine. Attach **Schedule 7** for each fuel type. Exports should be sold excise tax exempt. If the sale is to another licensed supplier with title passing in Maine and the customer exports the product outside of Maine, report the gallons on Schedule 6.

**Line 16a – Sales to this State or Political Subs.** Gallons sold in bulk, excise tax exempt, to the State of Maine or to political subdivisions of this State. Attach **Schedule 9** for each fuel type.

**Line 17a – Kerosene for retail sale.** Total gallons of kerosene sold exempt and delivered to a retailer for retail sale. A Special Fuel Users Affidavit of Exemption should be kept on file for each customer to support exempt sales of clear kerosene.

**Line 18a – Dyed Fuel.** Use this line only if line 10a (Total Gallons Sold and Used) includes dyed fuel. Although no schedule is required, proper documentation for re-branded or clear fuel dyed after being received must be kept in your files. Additional documentation must be provided with the tax return if clear fuel was accidentally contaminated.

**Line 19a – Total Exempt Sales.** Add lines 11a through 18a.

## **TAX COMPUTATION (Page 2/Back of Tax Return)**

**Line 20 (Distillates) – Taxable Gallons.** Line 10a (Total Gallons Sold and Used) minus Line 19a (Total Exempt Sales).

**Lines 21 and 22 - Diesel Gallons.** List the number of taxable diesel gallons on Line 21. Multiply taxable gallons by the diesel excise tax rate and enter the tax amount on Line 22. Attach a separate **Schedule 5** for each product type listing taxable sales to licensed suppliers.

**Lines 23 and 24 – B20 Gallons.** List the number of taxable B20 gallons on Line 23. Multiply taxable gallons by the B20 excise tax rate and enter the amount on Line 24. Attach a separate **Schedule 5** for each product type listing taxable sales to licensed suppliers.

**Lines 25 and 26.** Provide a description for the fuel blend, such as B10. Report the number of taxable gallons for the fuel blend on Line 25. Clearly write the excise tax rate for the fuel blend. Multiply taxable gallons by the excise tax rate for the blend and enter the tax amount on Line 26. **See the examples below to determine the correct tax rate.**

Excise tax computation for a blend of 80% diesel and 20% bio-diesel: The excise tax rate is the % of diesel in the blend multiplied by the diesel excise tax rate plus the % bio-diesel in the blend multiplied by the bio-diesel excise tax rate.

Example 1: .80 (80%) diesel X diesel excise tax rate of \$.296 =	\$ .2368
.20 (20%) B00 (100% bio-diesel) X 100% bio-diesel tax rate of \$.272 =	<u>\$.0544</u>
	<u>\$.2912</u>

**A blend of 80% diesel plus 20% bio-diesel has an excise tax rate of \$.291.**

Example 2: .90 (90%) diesel X diesel excise tax rate of \$.296 =	\$ .2664
.10 (10%) B00 (100% bio-diesel) X 100% bio-diesel tax rate of \$.272 =	<u>\$.0272</u>
	<u>\$.2936</u>

**A blend of 90% diesel plus 10% bio-diesel has an excise tax rate of \$.294.**

**Line 27a – Excise Tax Due.** Total the **tax** amounts listed on Lines 22, 24 and 26 under “Supplier-Distillates”.

**Line 28a – Excise Tax Paid Purchases.** The excise tax amount claimed for tax paid purchases listed on Schedule 1 and line 2 of the tax return. List excise tax paid on purchases as a positive number.

**Line 29 – Net Excise Tax Due.** Line 27a minus Line 28a.

**Line 30 – Total Due with this Return.** Add excise tax for distillates and excise tax for low-energy fuel.

**Line 31 – Credit from Prior Period.** If you have a tax credit from a prior reporting period and received a credit notice from Maine Revenue instructing you to take the credit on your Special Fuel Supplier or Low-Energy Fuel Retailer return, put the amount on this line. Line 31 cannot be used to make other adjustments. Changes to prior returns must be made on an Amended Return.

**Line 32 – Amount Due or Line 33 – Credit Due.** Line 30 less Line 31. If the amount is a positive number, enter the amount due on this line. If the amount is a credit, enter the amount on Line 33 as a positive number.

If you are due a credit and would like a refund, check the small box on Line 33. If you do not check the box requesting a refund, the credit will be carried forward to the next reporting period.

Please check the boxes for each type of schedule that is included with the tax return. Failure to attach required schedules may delay processing of your tax return.

To file an Amended Return, obtain a blank Supplier/Retail Tax return from Maine Revenue Services by calling the number below or visiting our web page at <http://maine.gov/revenue/fueltax> . Write “Amended” at the top of the return. Fill in your company information as it appears on pre-printed forms. Fully complete the return with correct figures. Attach an explanation or new Schedules for any figures that have changed from the original return. Maine Revenue will compute additional taxes owed or the credit due your company. If the result of the amended return is a credit and you want to request a refund, check the box on line 33.

Make payments by check or money order payable to the Treasurer State of Maine. Include your registration number on the check or money order. Do not forget to include payment with your return. The mailing address is Maine Revenue Services, P. O. Box 1064, Augusta, ME 04332-1064. Failure to file or pay this return on or before the due date will result in applicable interest and penalty charges. For assistance, call (207) 624-9609.

**LOW-ENERGY FUEL RETAILER INSTRUCTIONS (Contact Maine Revenue Services if you have questions on which fuels low-energy fuel retailers must report or if all taxable gallons are for your own use.)**

**Line 1b – Beginning Inventory.** Total gallons of low-energy fuel in inventory at the beginning of the reporting period. Include gallons in retail inventory.

**Line 2b – Gallons Received – Tax Paid.** Low-energy fuel received from any source on which Maine excise tax has been paid. Attach **Schedule 1** for each fuel type. A credit for excise tax paid is taken on line 28b.

**Line 3b – Gallons Received – Tax Unpaid.** Gallons received from sources within Maine, tax exempt. Attach **Schedule 2** for each fuel type.

**Line 4b – Gallons Imported – Direct to Customer.** Gallons imported to Maine, tax exempt, which were delivered directly to a customer in Maine. Attach **Schedule 3** for each fuel type.

**Line 5b – Gallons Imported – Bulk Storage.** Gallons received from outside Maine, tax exempt, delivered into your bulk storage. Attach **Schedule 4** for each fuel type.

**Line 6b – Total Receipts.** Total receipts of low-energy fuel during the reporting period. Add lines 2b, 3b, 4b and 5b.

**Line 7b – Available Gallons.** Line 1b plus Line 6b.

**Line 8b – Ending Inventory.** Total gallons of low-energy fuel in inventory at the end of the reporting period.

**Line 9b – Accountable Gallons.** Line 7b minus Line 8b.

**Line 10b – Total Gallons Sold and Used.** Total gallons of low-energy fuel sold and used during the reporting period. This includes retail sales which are taxed as gallons are sold. Total Gallons Sold may vary from Accountable Gallons. Do not include adjustments for gains or losses on this return. Any gains or losses will be reported on the annual Shrinkage Return. (For products measured in cubic feet, contact Maine Revenue Services for filing instructions).

**Line 11b – Sales for Heating and Cooking.** Total gallons of low-energy fuel sold exempt from Maine excise tax for use by the customer in heating or cooking.

**Line 12b – Sales to U. S. Government.** Low-energy fuel sold to the United States Government.

**Line 13b – Sales to Other Suppliers.** Sales of low-energy fuel to other Low-Energy Fuel retailers.

**Line 14b – Power Generation.** Sales of low-energy fuel used to generate power for resale or use in manufacturing.

**Line 15b – Exports.** Gallons of low-energy fuel exported from Maine.

**Line 16b – Sales to this State or Political Subs.** Low-energy fuel sold to the State or political subdivisions of this State.

**Line 19b – Total Exempt Sales.** Add lines 11b through 16b.

**TAX COMPUTATION (Page 2/Back of Tax Return)**

**Line 20b (Low-Energy Fuel) – Taxable Gallons.** Line 10b (Total Gallons Sold and Used) minus Line 19b (Total Exempt Sales).

**Line 27b – Excise Tax Due.** The tax rate printed on the return is for propane. If all taxable gallons are propane, multiply taxable propane gallons from Line 20b by the excise tax rate.

If the taxable product you sell is not propane or you sell more than one low-energy fuel subject to Maine excise tax, include a worksheet showing the type of product, total taxable gallons of that product, the excise tax rate and the excise tax you computed. Report total taxable gallons on Line 20b and total excise tax on Line 27b. Tax rates for other low-energy fuels are available by calling Maine Revenue or from the list on the Maine Revenue website: [www.maine.gov/revenue/fueltax/fueltaxrates](http://www.maine.gov/revenue/fueltax/fueltaxrates).

**Line 28b – Excise Tax Paid Purchases.** The excise tax amount claimed for tax paid purchases listed on Schedule 1 and line 2 of the tax return. List excise tax paid on purchases as a positive number.

**Line 29 – Net Excise Tax Due.** Line 27b (Excise Tax Due) minus Line 28b (Excise Tax Paid Purchases).

**Instructions for Lines 30 (Total Due with this Return), 31 (Credit from Prior Period), 32 (Amount Due) and 33 (Credit Due)** are the same as listed above. Please read additional information after the instructions for Line 33 above. Information is provided on required schedules, amended returns, payments and the telephone number to call for assistance.