



# Instructions for Completing Application for Refund of Tax Paid on Natural Gas Fuel Used for Exempt Purposes (Form DR-309641)

DR-309641N  
N. XX/XX  
Rule 12B-5.150, F.A.C.  
Effective XX/XX  
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# DRAFT

## General Information

A Florida Department of Revenue Power of Attorney Form DR-835, must be properly executed and included if this application is prepared by your representative.

**Motor fuel equivalent gallon (MFEG)** – The volume of natural gas fuel it takes to equal the energy content of one gallon of motor fuel.

**Natural Gas Fuel** – Natural gas fuel means any liquefied petroleum gas product, compressed natural gas product, or combination thereof used in a motor vehicle. Natural gas fuel does not include natural gas or liquefied petroleum placed in a separate tank of a motor vehicle for cooking, heating, water heating, or electric generation. Examples of natural gas fuel are all forms of fuel commonly or commercially known or sold as natural gasoline, butane gas, propane gas, or any other form of liquefied petroleum gas, compressed natural gas, or liquefied natural gas when placed into the tank of a motor vehicle.

**Product Type** – Compressed natural gas in pounds, compressed natural gas in cubic feet, liquefied natural gas in pounds, or liquefied petroleum gas in gallons.

**Unload Bulk Cargo by Pumping** – When a motor vehicle with a single fuel storage tank is in pump mode and using a power takeoff unit mounted on the vehicle to unload bulk cargo by means of pumping through a pipe to a designated area, a refund of 35% of the tax paid on the natural gas fuel purchased for the vehicle is allowed.

**Concrete Mixer Drum and Compact Solid Waste** – When a motor vehicle with a single fuel storage tank to power a vehicle and to turn a concrete mixer drum used in the manufacturing process or to compact solid waste, a refund of 35% of the tax paid on the natural gas fuel purchased for the vehicle is allowed.

**Time Limit for Claiming a Refund** – An application for refund must be received by the Department within 3 years of the date the tax was paid. A separate application is required for each calendar year, which includes the annual tax rates of natural gas fuel. Applications for each calendar year may be obtained from the Department's website. Visit [floridarevenue.com/forms](http://floridarevenue.com/forms) and select Prior Year Forms and then select Fuel Tax and Fuel Refunds.

**Supporting Documentation Required** – Florida law requires that refund applications be supported with sufficient information and documentation to determine eligibility and the refund amount due. Upon receipt of your application, the Department will review your application and the supporting information and documentation. You will be notified if additional information or documentation is needed.

When submitting your application for refund, include the following supporting information and documentation.

Documentation	First Application for Refund	Subsequent Applications	New Product Type Included in Application
Power of Attorney (Form DR-835)	✓	If a different attorney acts as your representative	N/A
Copies of invoices or fuel management report	✓	Schedule containing the same required information	✓
Explanation of how natural gas fuel is used (fueling report)	✓	Explanation of how natural gas fuel is used (fueling report)	✓
List of motor vehicles used for qualified exemption purposes	✓	When a motor vehicle is added or deleted	When a motor vehicle is added for new product type

Copies of invoices or fuel management reports must include the natural gas fuel supplier's name, date fuel received, invoice number, natural gas fuel units invoiced, and invoiced price including tax.

Instructions for Page 2 of the Application (Form DR-309641)

Category:

Check the appropriate boxes based on use of natural gas fuel. If the fuel is used for more than one purpose, please check all boxes that apply.

**Part I - Available Units by Product Type:**

**Column A** – Use Column A on Pages 2 - 3, Lines 1 - 14, if you are reporting units of compressed natural gas fuel purchased in pounds.

**Column B** – Use Column B on Pages 2 - 3, Lines 1 - 14, if you are reporting units of compressed natural gas fuel purchased in cubic feet.

**Column C** – Use Column C on Pages 2 - 3, Lines 1 - 14, if you are reporting units of liquefied natural gas fuel.

**Column D** – Use Column D on Pages 2 - 3, Lines 1 - 14, if you are reporting units of liquefied petroleum gas fuel.

**Blended Fuel** – If you are reporting a blended natural gas fuel containing a combination of compressed natural gas, liquefied petroleum gas, or liquefied natural gas, prorate the component fuels to determine the units of each component into Column A, B, C, or D.

**Line by Line Instructions:**

**Line 1: Beginning Inventory** – Enter the number of tax-paid units stored in inventory on the first day of the refund period prior to any receipts. Beginning inventory must be a physical measurement and equal the ending inventory from the previous filing period.

**Line 2: Units Purchased** – Enter the total number of tax-paid units purchased during the refund period as reported on schedule 1A, column 5.

**Line 3: Ending Inventory** – Enter the physical inventory of tax-paid units measured on the last day of the refund period.

**Line 4: Available Units** – Add Line 1 to Line 2, subtract Line 3, and enter the result.

**Part II – Consumption and Conversion:**

**Line 5: Units Consumed in Motor Vehicles.** Enter the number of units consumed in motor vehicles (trucks)

5(A) Unload Bulk Cargo by Pumping

5(B) Turn a Concrete Mixer Drum Used in the Manufacturing Process

5(C) Compact solid waste

**Line 6: Units Eligible for Refund** – Add Lines 5A, 5B, and 5C and enter the result.

**Line 7: Units Consumed for Highway Use** – Subtract Line 6 from Line 4 and enter the result.

**Line 8: Conversion Factor** – Conversion factors provided by Florida law.

**Conversion Chart – Motor Fuel Equivalent Gallons**

**Sample Conversion Calculation** – Metering equipment for XYZ Company indicates 13,000 cubic feet of compressed natural gas was placed into vehicles used for compacting solid waste during the refund period. The total motor fuel equivalent gallons placed into qualified vehicles equals 103 gallons (13,000 cubic feet divided by 126.67 cubic feet).

Conversion Chart - Motor Fuel Equivalent Gallons		
Product Type	Units of Measure	One Gallon Equivalent
Compressed Natural Gas	Pounds	5.66 pounds
Compressed Natural Gas	Cubic Feet	126.67 cubic feet
Liquefied Natural Gas	Pounds	6.06 pounds
Liquefied Petroleum Gas	Gallons	1.35 Gallons

**Line 9: Motor Fuel Equivalent Gallons** – Convert units to motor fuel equivalent gallons (MFEG) by dividing Line 6 by Line 8.

### Part III – Calculation of Refund Due:

**A refund is allowed on 35% of the motor fuel equivalent gallons consumed by motor vehicles that unload bulk cargo by pumping, turn concrete mixer drums or compact solid waste. The gallons eligible for a refund are subject to use tax under s. 12.05, F.S., based on the average cost per gallon. The average cost per gallon is calculated on Schedule 1B using the cost of the fuel less the state and local option fuel taxes.**

**Line 10: Motor Fuel Equivalent Gallons Eligible for Refund** – Multiply Line 9 by 0.35 and enter the result.

**Line 11:** Multiply line 10 by the average cost per gallon from Schedule 1B and enter the result.

**Line 12: Fuel Tax Eligible for Refund** – Multiply Line 10 by the state and local option rate for natural gas fuels and enter the result.

**Line 13: Sales Tax and Surtax Due** – Enter the total sales tax and surtax due from Schedule 1C. Compute the sales tax and applicable county surtax due by completing a separate Schedule 1C for each product type.

**Line 14: Refund Due** – Subtract Line 13 from Line 12 and enter the result.

**Line 15: Total Net Refund Requested** – Add Lines 14A, 14B, 14C, and 14D and enter the result.

### Instructions for Page 3 of the Application – Schedule 1A – Schedule of Purchases of Tax-Paid Natural Gas Fuels

Use this schedule to report tax paid on natural gas fuels purchased during the refund period. The information from this schedule is used to complete Page 2 and Page 4 (Schedule 1B) of the application. If you do not provide all information required under Columns 1 through 8 of this schedule, your refund will be reduced or denied. If you need additional copies of the schedules, you may photocopy as many copies as you need to provide the required information.

Complete a separate Schedule 1A for each product type included in your application for refund. Check the box for the product reported on each Schedule 1A.

A fuel management report may substitute for the Schedule of Purchases of Tax-Paid Natural Gas Fuels (1A). However, the fuel management report must be in the same format and provide the same information as required on the Schedule of Purchases of Tax-Paid Natural Gas Fuels (1A).

When reporting less than 0.50 gallons, round down to the nearest whole gallon. If reporting 0.50 gallons or greater, round up to the nearest whole gallon.

### Column Instructions for Schedule 1A

**Columns (1) and (2): Supplier Name/Federal Employer Identification Number (FEIN)** – Enter the name and FEIN of the company from which the product was acquired.

**Column (3): Date Received** – Enter the date the product was delivered and received.

**Column (4): Invoice Number** – Enter the number of the instrument used to identify the sale of the natural gas fuel.

**Column (5): Units Invoiced** – Enter the number of units (pounds, cubic feet, or gallons) purchased prior to conversion to motor fuel equivalent gallons.

**Column (6): Conversion Factor: Enter the conversion factor that will be used to convert units to motor fuel equivalent gallons.** See “Conversion Chart – Motor Fuel Equivalent Gallons.”

**Column (7): Motor Fuel Equivalent Gallons (MFEG)** – Divide Column 5 by Column 6 and enter the result.

**Column (8): Invoiced Price Including Tax** – Enter the total amount billed on each invoice, including tax.

### Instructions for Page 4 of the Application – Schedule 1B – Average Cost Per Motor Fuel Equivalent Gallon

Use this schedule to compute the average cost per motor fuel equivalent gallon (MFEG) used on Line 11 (Page 2) and on Schedule 1C (Page 5). The average cost per gallon is used to calculate the sales tax and surtax offset amount. All product types included in your application for refund may be reported on one Schedule 1B (Average Cost per Motor Fuel Equivalent Gallon on Page 4).

**Line 1: Total State and Local Option Fuel Tax Paid on Natural Gas Fuel Purchases** – Multiply the total motor fuel equivalent gallons from Column 7 from each Schedule 1A by the state and local option tax rate for natural gas fuels and enter the result.

**Line 2: Total Cost of Purchased Fuel Less State and Local Option Tax** – Subtract Line 1, Schedule 1B from the total invoiced price including tax on Column 8 from each Schedule 1A and enter the result.

**Line 3: Average Cost Per MFEG** – Divide Line 2, from Schedule 1B, into the total units invoiced from Column 5 from each Schedule 1A and enter the result in the applicable column. Carry the result out to four decimal places.

**Instructions for Part 5 of the Application - Schedule 1C - Computation of Sales Tax and Surtax Due by County**

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Use this schedule to calculate the sales tax and surtax offset amount reported on Line 13, Page 2. Complete a separate Schedule 1C for each product type included in your application for refund. Check the box for the product reported on each Schedule 1C. Follow these steps when completing Schedule 1C.

- Step 1** – Enter your name and license number.
- Step 2** – Enter the beginning and ending date of the refund period. Include the month, day, and year.
- Step 3** – Enter the appropriate product type represented in the schedule.
- Step 4** – Enter the gallons subject to sales tax and surtax by county of use (Part III, Line 10).
- Step 5** – Enter the average cost per gallon from Schedule 1B. Make sure the average cost per gallon is for the same product type.
- Step 6** – Multiply the gallons subject to sales tax and surtax by the average cost per gallon and tax rate.
- Step 7** – Add the sales tax and surtax due for each county and enter the result in the total field.

**References**

The following documents were mentioned in this form and are incorporated by reference in the rules indicated below.

The forms are available online at [floridarevenue.com/forms](http://floridarevenue.com/forms).

Form DR-835	Florida Department of Revenue Power of Attorney and Declaration of Representative	Rule 12-6.0015, F.A.C.
Form DR-309641	Application for Refund of Tax Paid on Natural Gas Fuel Used for Exempt Purposes	Rule 12B-5.150, F.A.C.