

2016 FR-400M Motor Fuel Tax Forms and Instructions

Effective October 1, 2013, the District shall levy and collect a tax on motor vehicle fuels equal to 8.0% of the average wholesale price of a gallon of regular unleaded gasoline. The average wholesale price will be calculated for adjustment twice a year. As a result, the tax rate may change each year. The average wholesale price will be determined by the District and published by February 1 and August 1 of each year.

If you are requesting a refund, you are required to submit the following:

1. **Invoices**
2. **Bill of Lading/Manifest**

Who must file a form FR-400M?

Generally, each importer engaged in selling or other disposition or use of motor vehicle fuel in the District of Columbia (DC) must file a monthly Form FR-400M, Motor Fuel Tax Return.

Persons who bring fuel for use, such as in excavating equipment on a DC construction site, must also file the FR-400M if that fuel is brought from outside DC and is not delivered by a DC licensed importer.

You must file a return even if you have no tax liability for the month being reported.

What other DC tax forms motor fuel taxpayers may need to file?

In addition to filing a monthly FR-400M, you may need to complete the FR-400A, Final Motor Fuel Tax Report or schedules in this booklet (2, 3, 4, 5, 6, 10, 11, 12, 13, 22 and 26). Make copies of these schedules as needed.

When and where should you file your form FR-400M?

File your return and pay any tax due by the 25th of the month following the month being reported. Send your return and payment to:

Office of Tax and Revenue
Audit Division
PO Box 556
Washington, DC 20044-0556

If the due date falls on a Saturday, Sunday, or federal legal or DC holiday, the filing of the return and/or payment is due the next business day.

How to file your return

OTR no longer prints this booklet.

Complete and print the fill-in form available on the DC website, www.taxpayerservicecenter.com, Tax Forms/Publications, Business tab, and select Motor Fuel Fill-in Form.

Print, sign and date the return. Make a copy for yourself. File your FR-400 with the OTR to:

Office of Tax and Revenue
Audit Division
PO Box 556
Washington, DC 20044-0556

Assembling your return

Complete the online form and any applicable schedules. Print and mail to the address provided as stated.

Do not staple or otherwise damage the **Bar Code** located in the upper right hand corner of this form or schedule(s) being attached.

Do not cross out the tax year on the 2016 return.

If you are not filing a 2016 FR-400M Motor Fuel return, do not use the 2016 booklet. Visit the website, www.taxpayerservicecenter.com, for prior year motor fuel tax returns.

Electronic filing option

You can now file and pay the FR-400M by accessing the DC Electronic Taxpayer Service Center (eTSC) website. A pre-registration is required. Allow 5-7 business days for processing. Visit www.taxpayerservicecenter.com for information on completing an eTSC application.

You cannot use the Internal Revenue Service (IRS) Modernized e-File (MeF) websites to file this return.

You cannot file an amended return online.

Payment Options

Check or money order. Include a check or money order, payable to the 'DC Treasurer', with your completed return. Write your Federal Employer Identification Number (FEIN), daytime telephone number, "2016" and the type of form filed ('FR-400') on your payment. Your FEIN is used for tax administration purposes only.

You can also pay your tax liability using our electronic Taxpayer Service Center (eTSC) website, which allows you to pay by credit card after you have filed your return and it is processed by OTR. Visit our website for more details. You may also remit your payment by ACH Credit.

If the amount of your payment due for a period **exceeds \$5,000, you must pay electronically.** Refer to the Electronic Funds Transfer (EFT) Payment Guide available on the DC website at

www.taxpayerservicecenter.com for instructions on electronic payments. eTSC does not allow the use of foreign bank accounts. Your payment cannot be drawn on a foreign account. You must pay by money order (US dollars) or credit card instead.

Payment options are as follows:

- **Electronic Check (e-check).** E-check is similar to ACH debit, but it is a one-time transaction where the taxpayer provides the banking information at the time of payment instead of storing the information. There is no fee for e-check payments.
- **Credit/Debit Card.** The taxpayer may pay the amount owed using Visa®, MasterCard®, Discover® or American Express®. The taxpayer will be charged a fee that is paid directly to the District's credit card service provider. Payment is effective on the day it is charged.
- **ACH Credit.** ACH credit is for business taxpayers only. There is no fee charged by OTR, but the taxpayer's bank may charge a fee. The taxpayer directly credits OTR's bank account. The taxpayer does not need to be eTSC registered to use this payment type, and does not need access to the website.

Note: When making ACH credit payments through your bank, please use the correct tax type code (00370) and tax period ending date (YYMMDD).

Note: If you request a refund to be direct deposited into an account outside of the United States you will receive a paper check. If your payment will be drawn from or on an account outside of the United States, you must send a money order (US dollars) or pay by credit card.

Penalties and Interest

OTR will charge:

- A penalty of 5% per month if you fail to file a return or pay any tax due on time. It is computed on the unpaid tax for each month, or fraction of a month, that the return is not filed or the tax is not paid. It may not exceed an additional amount equal to 25% of the tax due;
- A 20% penalty on the portion of an underpayment of taxes if attributable to negligence. Negligence is a failure to make a reasonable attempt to comply with the law or to exercise ordinary and reasonable care in preparing tax returns without the intent to defraud. One indication of negligence is failure to keep adequate books and records;
- Interest of 10% per year, compounded daily, on a late payment;
- A one-time fee to cover internal collection efforts on any unpaid balance. The collection fee assessed is 10% of the tax balance due after 90 days. Payments received by OTR on accounts subject to the fee are first applied to the fee, then to the penalty, interest and tax owed;
- A civil fraud penalty of 75% of the underpayment which is attributable to fraud (see DC Code §47-4212).

Criminal Penalties

You will be penalized under the criminal provisions of the DC Code, Title 47, if you are required to file a return or report, or to perform any act, and you:

- Fail to file the return or report timely. If convicted, you will be fined not more than \$1,000 or imprisoned for not more than 180 days, or both, for each failure or neglect;
- Willfully fail to file the return or report timely. If convicted, you will be fined not more than \$5,000 or imprisoned for not more than 180 days, or both;
- Willfully attempt to evade or defeat a tax; willfully fail to collect, account for, or

pay a tax; or willfully make fraudulent and false statements or fail to provide information. See DC Official Code §47-4101 through 4107.

These penalties are in addition to penalties under DC Code §22-2405 for false statements (and any other applicable penalties). Corporate officers may be held personally liable for the payment of taxes owed to DC, if not paid.

Enforcement Actions

OTR may use lien, levy, seizure, collection agencies, and liability offset if the taxpayer fails to pay the District within 20 days after receiving a Notice of Tax Due and a demand for payment. Visit www.taxpayerservicecenter.com. Click "Business Tax", "Collection Division", "Enforcement Actions".

Paid tax preparer penalty

OTR charges a penalty when tax liability is understated. Penalties are assessed if a paid tax preparer prepares a return or refund claim and the tax preparer:

- Based it on an unrealistic position;
- Should have known an applicable law or regulation;
- Did not adequately disclose relevant facts for the position;
- Willfully attempted to understate the tax liability; or
- Failed to sign a return or refund claim.

Penalties range from \$50 to \$1,000 for each return or refund claimed.

Special filing circumstances

Amended return

If this is an amended return, please click on the box identified as 'Fill in if amended return' on the FR-400M. You cannot file an amended return online. Mail the amended return and any additional attachments to:

Office of Tax and Revenue
Audit Division
PO Box 556
Washington, DC 20044-0556

Final return

If this is your final return and you will not be required to file in the future, due to the ending of your business operations, please click on the box identified as 'Fill in if a final return' on the FR-400M and also complete the final report FR-400A.

Mail the FR-400A Final Motor Fuel Tax Report to:

Office of Tax and Revenue
Audit Division
PO Box 556
Washington, DC 20044-0556

Additional Information

For form or instruction information, please visit our website, www.taxpayerservicecenter.com, Tax/Forms/Publications, Business tab, Motor Fuel.

For additional information regarding eTSC registration, visit our website or email ETSCAccount@dc.gov or call 202-442-6313.

For refund information, please call Customer Service Administration at 202-727-4TAX (4829) or email taxhelp@dc.gov.

Getting Started

Not all items will apply. Fill in only those that do apply. If an amount is zero make no entry, leave the line blank.

All entries on the return and attachments are whole dollars only. Do not enter cents. Round cents to the nearest dollar.

Examples:

\$10,500.50 rounds to \$10,501
\$10,500.49 rounds to \$10,500

Taxpayer Identification Number (TIN)

You must have a TIN, whether it is a FEIN or Preparer Tax Identification Number (PTIN). You should apply for the FEIN or PTIN before completing the return.

- A FEIN is a valid number issued by the Internal Revenue Service (IRS). To apply for a FEIN, get Form S-4, Application for Employer Identification Number online at www.irs.gov. You may also get this form by calling 1-800-TAX-FORM (1-800-829-3676).
- If you are a paid preparer, you must have an IRS PTIN issued by the IRS. A PTIN is a number issued and authorized by the IRS to file a return on the taxpayers' behalf.

Incomplete forms will delay processing

Complete all items on the FR-400M as applicable, otherwise OTR will send the return back to you for completion and resubmission.

Help us identify your forms and attachments

Write your FEIN, tax period, business name and address on any statements submitted with the return or filed separately. The FEIN is used for tax administration purposes only.

Signature

Sign and date your return. If the return was prepared by a paid tax preparer, the tax preparer must also sign the return and provide his or her identification number and telephone number. If the return is not signed, it will be sent back to you.

Send in your original signed return. Do not send a photocopy. Keep a copy for your records.

Line by Line Specific Instructions

Inventories *Line 1 to Line 9*

Line 1 Opening inventory – enter the amount of fuel on hand at the beginning of the month

Line 2 Receipts of marketing locations in DC from sources outside DC (Schedule 2)

Line 3 Receipts of marketing locations in DC from sources within DC (Schedule 3) – enter receipts from motor fuel delivered within the District

Line 4 Direct delivery to other states (Schedule 4) – enter the amount of fuel delivered to other states

Line 5 Direct delivery to customers in DC (Schedule 5) – enter the amount of fuel shipped to customers in DC.

Line 6 Other Receipts (Schedule 6) – Any other receipts received for motor fuel that do not belong on lines 2 and 3.

Line 7 Total – add lines 1 through 6.

Line 8 Minus: closing inventory (including any in transit) – enter the amount of fuel remaining at the end of the month.

Line 9 To be accounted for – subtract line 8 from line 7.

Distribution *Line 10 to Line 20*

Line 10 Sales and transfers out of DC (Schedule 10) – enter the amount of fuel sold and transferred out of DC.

Line 11 Sales to licensed importers in DC (Schedule 11) – enter the amount of fuel sold to licensed vendors in DC.

Line 12 Sales to government (Schedule 12):

- US government – amount of fuel sold to the US Government; and
- DC government – amount of fuel sold to the District Government
- Add US government and DC government sales and enter the result on Line 12.

Line 13 Other non-taxable distributions (Schedule 13).

Line 14 Gain or loss – if a gain, click on the box and deduct.

Line 15 Total non-taxable distributions – add lines 10 through 14.

Line 16 Net taxable sales – enter the difference between the non-taxable and taxable fuel sold.

Line 17 Sales at self-operated retail service stations – enter the amount of fuel sold to independently-operated retail service stations.

Line 18 Taxable use – enter the amount of fuel sold to taxable users.

Line 19 Total taxable distribution – enter the total of lines 16, 17 and 18.

Line 20 Enter the total of lines 15 and 19; this line must equal line 9.

Tax Computation Expressed as gallons and dollars

NOTE: The tax rate may change. OTR will notify you prior to any rate change. You are responsible for using the correct tax rate when you complete and file this return.

Line 21 Enter the total taxable distribution of all fuels – this line must equal line 19.

Line 22 Total taxable sales and use of diesel fuel, fuel oil, or any motor fuel other than gasoline. Complete Schedule 22 (included in this booklet).

Line 23 Minus tax paid on purchases – complete Schedules 2, 3, 4, and 5 (included), enter result here.

Line 24 Minus previously taxed sales to:

- (a) US Government;
- (b) DC Government; and
- (c) Diplomatic Corps Members.

Add lines 24(a), 24(b), and 24(c); enter the amount on Line 24.

Line 25 Subtract lines 23 and 24 from Line 21.

Line 26 Adjustment of previous month's report, complete Schedule 26 (included). Add or subtract this amount, as appropriate. If your entry is a minus, click on the minus box.

Line 27 Tax Due – combine lines 25 and 26. If there is an amount due, enter it here on Line 27. Calculate any penalty and interest due, enter it on line 29. Add lines 27 and 29 and enter the result on line 30.

Line 28 Refund due – combine lines 25 and 26. If this results in an overpayment due to an adjustment entered on line 26, enter the amount on line 28 so that a refund can be issued. Do not bracket the overpayment amount.

Line 29 Penalty – If you did not file a return or pay by the due date of the return, the **penalty** is 5% of the amount shown on line 27 for every month, or fraction of a month, that the payment is late. The total penalty may not exceed an additional amount equal to 25% of the tax due.

- Interest – If a tax payment is made after the due date of the return, you will be charged **interest** of 10% per year, compounded daily, on any tax not paid on time. Interest is calculated from the due date of the return to the date the tax is paid. If you want to calculate the interest, enter it on this line. If not, any applicable penalty or interest will be assessed automatically.

Line 30 Total amount due – add lines 27 through 29. Include the interest and penalty you calculated on line 29 or simply enter the amount from line 27 and allow us to calculate any penalty of interest that has accrued.

Key website resources

DC Official Code

www.lexisnexis.com/hottopics/dccode/

DC Regulations

www.dcregs.dc.gov/

DC Tax Forms/Publications

www.otr.cfo.dc.gov/page/tax-forms-and-publications

Mailing Address for Returns

www.otr.cfo.dc.gov/node/392882

Electronic Funds Transfer (EFT) Guide

www.otr.cfo.dc.gov/publication/electronic-funds-transfer-payment-guide-eft

NACHA Guidelines

www.nacha.org/

Social Security Administration

www.ssa.gov/

Internal Revenue Service

www.irs.gov/



OFFICIAL USE ONLY
Vendor ID # 0000

Important: Print in CAPITAL letters using black ink.

Federal Employer Identification Number (FEIN) Tax Period Ending (MMYY) Fill in if amended return.

Name of Importer Fill in if this is a final return.

Mailing address line 1

Mailing address line 2 Phone number of person to contact

City State Zip Code + 4

| Inventories (all Fuels: Diesel & Gasoline) | Gallons | Distribution (all Fuels: Diesel & Gasoline) | Gallons |
|---|----------------------|---|----------------------|
| 1. Opening inventory (including in transit) | <input type="text"/> | 10. Sales and transfers out of DC (Schedule 10) | <input type="text"/> |
| 2. Receipts at marketing locations in DC from sources outside DC (Schedule 2) | <input type="text"/> | 11. Sales to licensed importers in DC (Schedule 11) | <input type="text"/> |
| 3. Receipts at marketing locations in DC from sources within DC (Schedule 3) | <input type="text"/> | 12. Sales to: (Schedule 12) | |
| 4. Direct delivery to other states (Schedule 4) | <input type="text"/> | (a) US Government <input type="text"/> | |
| 5. Direct delivery to customers in DC (Schedule 5) | <input type="text"/> | (b) DC Government <input type="text"/> | |
| 6. Other receipts (Schedule 6) | <input type="text"/> | <input type="text"/> + <input type="text"/> = <input type="text"/> | |
| 7. Total (add Lines 1 - 6) | <input type="text"/> | 13. Other non-taxable distributions (Schedule 13) | <input type="text"/> |
| 8. Minus closing inventory (including in transit) | <input type="text"/> | 14. Gain or loss. (If a gain, use minus sign to deduct) <input type="radio"/> | <input type="text"/> |
| 9. To be accounted for (Line 7 minus Line 8) | <input type="text"/> | 15. Total non-taxable distributions (add Lines 10 - 14) | <input type="text"/> |
| | | 16. Net Taxable Sales | <input type="text"/> |
| | | 17. Sales at self-operated retail service stations | <input type="text"/> |
| | | 18. Taxable Use | <input type="text"/> |
| | | 19. Total taxable distribution (add Lines 16, 17 and 18) | <input type="text"/> |
| | | 20. Total of Lines 15 and 19 (must equal Line 9) | <input type="text"/> |

| Tax Computation | Gallons | Dollars only |
|---|----------------------|-----------------------------|
| 21. Total taxable distribution of all Fuels: Diesel & Gasoline (from Line 19) X the set rate per gallon | <input type="text"/> | \$ <input type="text"/> .00 |
| 22. Total Taxable Sales and Use of Diesel Fuel (Schedule 22) gallons only. | <input type="text"/> | |
| 23. Minus tax paid on purchases (Schedules 2, 3, 4 and 5) | <input type="text"/> | \$ <input type="text"/> .00 |
| 24. Minus previously taxed sales to: | | |
| (a) US Government <input type="text"/> | | |
| (b) DC Government <input type="text"/> | | |
| (c) Diplomatic Corps Members <input type="text"/> | | |
| <input type="text"/> + <input type="text"/> + <input type="text"/> = <input type="text"/> | | \$ <input type="text"/> .00 |
| 25. Subtract total of Lines 23 and 24 from Line 21. | <input type="text"/> | \$ <input type="text"/> .00 |
| 26. Adjustment of previous month's report (Schedule 26) Add or deduct. Use minus sign to deduct <input type="radio"/> | <input type="text"/> | \$ <input type="text"/> .00 |
| 27. Tax Due (Combine Lines 25 and 26. If a tax is due, enter the amount.) Will the funds for this payment come from an account outside the US? Yes <input type="radio"/> No <input type="radio"/> See instructions. | <input type="text"/> | \$ <input type="text"/> .00 |
| 28. Refund Due (Combine Lines 25 and 26. If there is an overpayment, enter the amount.) Do not bracket the amount. Will the refund you requested go to an account outside the US? Yes <input type="radio"/> No <input type="radio"/> See instructions. | <input type="text"/> | \$ <input type="text"/> .00 |
| 29. Penalty \$ <input type="text"/> 00 and Interest \$ <input type="text"/> 00 due on the Line 27 amount | | \$ <input type="text"/> .00 |
| 30. Total amount due (add Lines 27 and 29) | | \$ <input type="text"/> .00 |

Under penalties of law, I declare that I have examined this return and, to the best of my knowledge, it is correct. Declaration of paid preparer is based on the information available to the preparer.

Preparer's PTIN

Preparer's Phone Number

Officer's signature _____ Title _____ Date _____

Make check payable to DC TREASURER and mail with return to OFFICE OF TAX AND REVENUE, AUDIT DIVISION, PO BOX 556, WASHINGTON, DC 20044



Questions:

Fill In

Did you sell your business during the year?

Yes No

Did you close your business during the year?

Yes No

Did you stop doing business in the District?

Yes No

If you answered "yes" to any of the above questions, please complete this form and send it to:

Office of Tax and Revenue
Audit Division
PO Box 556
Washington DC 20044-0556

Federal Employer ID Number

-

Business Name

Business Address

City

State

ZIP Code + 4

If the business was sold, please complete the following:

Purchaser's name

Address

City

State

ZIP Code + 4

Date sold (MMDDYYYY)

If the business has been closed or operations ended in DC, please complete the following:

(MMDDYYYY)

Date closed or operations ended:

Reason:

Person to contact for additional information

Name

Title

Phone number: