

CHAPTER 12 – MOTOR FUEL TAX

SUBCHAPTER 12A – HIGHWAY FUEL USE TAX

SECTION .0100 - OPERATIONS

17 NCAC 12A .0101 OPERATIONS OF VEHICLES EXCLUDED FROM REPORTS

*History Note: Authority G.S. 105-262; 105-449.37; 105-449.44; 105-449.45;
Eff. January 1, 1983;
Amended Eff. August 1, 1998; January 1, 1994; January 1, 1992; February 1, 1990; March 1,
1987;
Recodified from 17 NCAC 09I .0102 Eff. November 1, 2002;
Amended Eff. August 1, 2003;
Expired Eff. September 1, 2016 pursuant to G.S. 150B-21.3A.*

SECTION .0200 – NORTH CAROLINA FUEL PURCHASES

17 NCAC 12A .0201 RECEIPT OR INVOICE REQUIREMENTS TO OBTAIN CREDIT FOR RETAIL FUEL PURCHASES

(a) To obtain credit for retail tax-paid purchases for a motor carrier licensed pursuant to G.S. 105-449.47, the motor carrier shall retain a receipt or invoice that establishes the purchases and payment of the tax. Examples of receipts or invoices include a credit card receipt, a microfilm or microfiche copy of the receipt or invoice, an automated vendor generated invoice or transaction list, or a computer image of the receipt or invoice. Prepaid receipts or invoices shall not be used to obtain credit for retail tax-paid purchases.

(b) North Carolina retail fuel purchase receipts or invoices used by a motor carrier to obtain credit for retail tax-paid purchases shall contain the following information:

- (1) the date of purchase;
- (2) the name and address of the seller;
- (3) the number of gallons purchased;
- (4) the type of fuel purchased;
- (5) the price per gallon or total sales amount;
- (6) a vehicle number, equipment number, or other identifier of the vehicle or equipment into which the fuel was placed;
- (7) the vehicle license plate number and the state that issued the plate for the vehicle into which the fuel was placed; and
- (8) the purchaser's name. In the case of a leased vehicle, either the lessee or the lessor may submit receipts or invoices as the purchaser if the person who submits the receipts or invoices can establish a current lease agreement exists with the person required to file a return.

(c) Separate retail fuel purchase receipts or invoices shall be maintained for motor fuel purchased for highway vehicle use, off-highway vehicle use, and equipment use.

(d) Receipts or invoices used to obtain credit for retail fuel purchases shall be maintained for a period of at least four years.

*History Note: Authority G.S. 105-262; 105-449.39; 105-449.57;
Eff. January 1, 1983;
Amended Eff. October 1, 1991; February 1, 1990;
Recodified from 17 NCAC 09I .0201 Eff. November 1, 2002;
Amended Eff. August 1, 2003;
Readopted Eff. November 1, 2017.*

17 NCAC 12A .0202 WITHDRAWALS FROM BULK STORAGE

(a) A motor carrier maintaining bulk storage of North Carolina tax-paid motor fuel shall be entitled to credit on the International Fuel Tax Agreement (IFTA) return based on the date the fuel is put into the qualified motor vehicle as defined in the International Fuel Tax Agreement and shall not be based on the date of purchase. The International

Fuel Tax Agreement, through its Articles of Agreement, Procedures Manual, and Audit Manual (hereinafter "governing documents", including subsequent amendments and editions, are incorporated by reference. The International Fuel Tax Agreement governing documents are available at no cost at www.iftach.org.

(b) A motor carrier who withdraws fuel from bulk storage shall maintain withdrawal records containing the following information:

- (1) the date of withdrawal;
- (2) the number of gallons;
- (3) the fuel type;
- (4) a vehicle unit number or vehicle license plate number and state, equipment number, or other identifier for the vehicle or equipment into which the fuel was placed; and
- (5) the purchase and inventory records to substantiate that tax was paid on bulk purchases. Inventory records shall include:
 - (A) tank number, tank location, tank capacity;
 - (B) fuel type;
 - (C) monthly beginning and ending inventories;
 - (D) monthly totalizer readings;
 - (E) fuel purchase receipts, invoices or bills of lading, including withdrawal details, and whether the fuel was dispensed for highway or off-highway use.

History Note: Authority G.S. 105-262; 105-449.39; 105-449.37; 105-449.57;
Eff. January 1, 1983;
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Readopted Eff. November 1, 2017.

SECTION .0300 – CREDITS AND REFUNDS

17 NCAC 12A .0301 REFUNDS

History Note: Authority G.S. 105-262; 105-266; 105-449.39; 105-449.40;
Eff. January 1, 1983;
Amended Eff. July 1, 2000; January 1, 1994; February 1, 1990;
Recodified from 17 NCAC 09I .0302 Eff. November 1, 2002;
Amended Eff. August 1, 2003;
Expired Eff. September 1, 2016 pursuant to G.S. 150B-21.3A.

17 NCAC 12A .0302 AMOUNT OF BOND REQUIRED

For motor carrier bonds exceeding five hundred dollars (\$500.00), the amount of bond shall be rounded to the nearest one thousand dollars (\$1,000.00). If the amount required is exactly between two one thousand dollar (\$1,000.00) increments, the amount shall be rounded to the higher of the two.

History Note: Authority G.S. 105-262; 105-449.40;
Eff. January 1, 1983;
Amended Eff. January 1, 1994; January 1, 1992;
Recodified from 17 NCAC 09I .0303 effective November 1, 2002;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 12A .0303 MOTOR CARRIER BOND REQUIREMENTS

(a) The bond submitted to the Department pursuant to G.S. 105-449.40 shall be filed on Form GAS-1212, Motor Fuels Tax Liability Bond, and shall include the following information:

- (1) the bond number;
- (2) the Principal's legal name;
- (3) the surety company name;
- (4) the written value of bond amount;

- (5) the numeric value of bond amount;
- (6) the bond effective date;
- (7) the date the bond is executed;
- (8) the printed name, signature, and title of person authorized to legally bind the Principal in accordance with the following:
 - (A) if the Principal is a corporation, the printed name, signature, and title of the corporate President, Vice President, or Treasurer, the signature and title of the corporate Secretary or Assistant Secretary must attest to the bond, and the corporate seal shall be affixed. If a corporation does not have a corporate Secretary or corporate seal, the executed bond shall be accompanied by a letter indicating the same on corporate letterhead and signed by the corporate President;
 - (B) if the Principal is a limited liability company, the printed name, signature, and title of any member;
 - (C) if the Principal is a partnership, the printed name, signature, and title of one or more of the partners;
 - (D) if the Principal is a limited partnership, the printed name, signature, and title of a general partner; or
 - (E) if the Principal is an individual using a trade name, the printed name and signature of the individual followed by the trade name.
- (9) Printed name and signature of the Attorney-in-Fact on behalf of the surety company, and the surety's corporate seal shall be affixed; and
- (10) The bond shall be accompanied by a verified copy of the Power-of-Attorney or other authority of the person executing the same to do so on behalf of the surety.

(b) The Department shall calculate a motor carrier's average tax liability or refund for a reporting period and set the bond amount consistent with G.S. 105-449.40(b).

History Note: Authority G.S. 105-262; 105-449.40; 105-449.57;
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SECTION .0400 – TAX RETURNS AND MILES PER GALLON FACTORS

17 NCAC 12A .0401 AVERAGE MILES PER GALLON FACTORS

- (a) In the absence of records substantiating total miles and/or total fuel, audits will be based on average miles per gallon factors of other carriers with similar equipment and similar operations.
- (b) The use of a miles per gallon factor on an audit is not an authorization for filing future reports on an average miles per gallon factor.
- (c) Audits will be based on current information of carriers maintaining complete and accurate records as required by statute.

History Note: Authority G.S. 105-262; 105-449.44; 105-449.45;
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 Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 20, 2016.

17 NCAC 12A .0402 COMPANY FACTOR: LEASE UNITS

History Note: Authority G.S. 105-262; 105-449.44; 105-449.45;
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