



BUREAU OF MOTOR &  
ALTERNATIVE FUEL TAXES  
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## INSTRUCTIONS FOR COMPLETING THE ALTERNATIVE FUELS TAX REPORT

### Tax Calculations –

1. Taxable Volume: Enter the volume sold and/or used on which tax was collected for each fuel type.
2. The oil company franchise tax rate that is subject to discount is printed in each column for each fuel type.
3. Gross Oil Company Franchise Tax - Subject to Discount: Multiply taxable volumes on Line 1 by the appropriate tax rate on Line 2.
4. Percent of Gross Tax to Total: Round to the nearest hundredth. If only one fuel type is present on the tax return, this figure is always 100%. If more than one fuel is present:
  - Line 4, Column F = Line 3F divided by Line 3G.
  - Line 4, Column E = Line 3E divided by Line 3G.
  - Line 4, Column D = Line 3D divided by Line 3G.
  - Line 4, Column C = Line 3C divided by Line 3G.
  - Line 4, Column B = Line 3B divided by Line 3G.
  - Line 4, Column A = 100 minus the sum of Line 4, Columns B, C, D, E, and F.
- 5G. Discount: Calculate discount on the Gross Oil Company Franchise Tax - Subject to Discount as follows and enter total discount on Line 5, Column G.
  - a. 2 percent (0.02) for tax of \$50,000 or less;
  - b. 1.5 percent (0.015) for tax in excess of \$50,000 but not exceeding \$75,000;
  - c. 1 percent (0.01) for tax in excess of \$75,000 but not exceeding \$100,000; and
  - d. 0.5 percent (0.005) for tax in excess of \$100,000
5. Apportioned Discount:
  - a. Multiply 5G by 4A. Enter the result on 5A.
  - b. Multiply 5G by 4B. Enter the result on 5B.
  - c. Multiply 5G by 4C. Enter the result on 5C.
  - d. Multiply 5G by 4D. Enter the result on 5D.
  - e. Multiply 5G by 4E. Enter the result on 5E.
  - f. Multiply 5G by 4F. Enter the result on 5F.

The total of 5A, 5B, 5C, 5D, 5E, and 5F must equal 5G.
6. Net Oil Company Franchise Tax - Subject to Discount: Subtract the discount from the Gross Oil Company Franchise Tax - Subject to Discount (Line 3 minus Line 5) for all fuel types.
7. The oil company franchise tax rate that is not subject to discount is printed in each column for each fuel type.
8. Oil Company Franchise Tax - Not Subject To Discount: Multiply taxable volume from Line 1 by the tax rate shown on Line 7 for each fuel type.
9. Total Alternative Fuels Tax Due: Enter the sum of Lines 6 and 8.
10. Interest: Interest is calculated on the tax due at a specified rate.
11. Late File Penalty: Penalty is calculated on the tax due at a specified rate of 10% (0.10).
12. Authorized Adjustments: Enter any credit available authorized by the PA Department of Revenue, Bureau of Motor and Alternative Fuel Taxes.
13. Amount Remitted: Enter the amount of your remittance. Payments of \$1,000 or more must be made electronically. If your remittance is being submitted electronically, mark the block accordingly. Failure to pay electronically, as required, will result in a penalty assessment of 3 percent of the tax due up to \$500 for each occurrence. For payments of less than \$1,000, check should be made payable to the PA Department of Revenue.

The Alternative Fuels Tax Report may be reproduced and used for subsequent reporting. Reports are also available online at [www.revenue.pa.gov](http://www.revenue.pa.gov).

Questions regarding this form or the taxation of alternative fuels should be directed to the address above or call 800-482-4382.