



**PELLETIER CHASE & ASSOCIATES, LLC**

*Certified Public Accountants and Business Advisors*

**Certain Companies Who Have Off-Highway Fuel Costs May Be Eligible For the Maine Special Fuel and Gasoline Tax Refund**

Your company may be eligible for a Maine excise tax refund if you purchased excise taxed fuel for off-highway use in qualified equipment. See the example below for a general summary of the refund calculation.

**Example:** Company purchases 10,000 gallons of qualified diesel from July 1, 2010 to June 30, 2011 for a total cost (including taxes) of \$45,000.

State & Federal excise tax paid: (10,000 gallons times Excise Tax Rate 0.551*) .....	\$5,510
Purchase price subject to sales/use tax: (\$45,000 minus Excise Tax Paid 5,510) .....	\$39,490
Sales/Use tax paid: (\$39,490 times sales/use tax rate .05) .....	\$1,975
Excise tax refund: (10,000 gallons times refundable excise tax rate 0.297**) .....	\$2,970
<b>Net refund</b> for period July 1, 2010 to June 30, 2011: (\$2,970 minus \$1,975) .....	<b>\$995</b>

\* Excise tax rate for gasoline is 0.479

\*\*Refundable excise tax rate for gasoline is 0.285

Qualified equipment for commercial purpose may include;

- Commercial vehicles when not operating on public ways
- Stationary engines
- Motorboats (commercial only)
- Tractors used for agricultural purposes that are not operating on public ways
- The mechanical or industrial arts
- Vehicles owned or operated by railroad companies while operating on rails or tracks

Facts you need to know when applying for the special fuel and gasoline tax refund;

- Refund requests that cannot be supported by proper invoices will be denied.
- Documentation must be maintained for 6 years.
- A refund cannot be issued for purchase made more than 12 months from the date the refund request is filed.
- All fuel is reported in gross gallons, rounded to the nearest whole gallons.
- This program does not apply to fuel that has been purchased exempt from the Maine excise tax, including dyed diesel.
- Refunds not available for fuel used in motor vehicles operated over the road, off highway purposes only.

Be sure to take advantage of this refund if you are eligible. For more information, check out [Form OFF, Special Fuel and Gasoline Tax Refund Application](#). This publication is available on the Maine Revenue Services website, [www.maine.gov/revenue](http://www.maine.gov/revenue).

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