

INSTRUCTIONS: User's Compressed Natural Gas Tax Return

A user of compressed natural gas is required by Tenn. Code Ann. § 67-3-1114 and Tenn. Code Ann. § 67-3-1115 to obtain a user's permit and to file a monthly return and remit the taxes on or before the twenty-fifth day of the month following the month of activity.

Complete the information at the top of the return including filing period, account number, FEIN/SSN, legal name, and mailing address.

A diesel gallon equivalent of five and sixty-six one-hundredths pounds (5.66 lbs.) per gallon should be used. Gallons should be rounded to the nearest gallon.

Taxpayers should submit online their fully completed return and schedules, along with the amount from Line 8, by visiting the Department's website at <https://tntap.tn.gov/eservices>. Alternatively, they may mail the return and payment to the address below. Checks should be made out to the Tennessee Department of Revenue.

Tennessee Department of Revenue
Andrew Jackson State Office Building
500 Deaderick Street
Nashville, TN 37242

If this is an amended return, please indicate "Filing Period" and check the appropriate box on the front of this return.

Schedule A: For each vehicle, list the vehicle license plate number, state of registration, and gallons of compressed natural gas placed in the vehicle. Total the gallons and enter on Line 2 of the return.

Schedule B: Compressed Natural Gas gallons used for purposes other than in a licensed vehicle. List the purpose and gallons of compressed natural gas used for purposes other than in a licensed vehicle. Total the gallons and enter on Line 3 of the return.

Calculation of Tax

Line 1: Gallons of fuel received during the month. Enter total gallons of compressed natural gas received during the month.

Line 2: Gallons of fuel delivered into licensed vehicles from a nontaxable source. Enter total gallons from Schedule A.

Line 3: Gallons of fuel used for all purposes other than in a licensed vehicle. Enter total gallons from Schedule B.

Line 4: Tax Due. Multiply Line 2 by the compressed natural gas tax rate (see tax rate table below.)

Line 5: Credit memo balance. If your account has a credit balance from an overpayment on a prior return, enter the amount on this line.

Line 6: Penalty. If filed late, compute penalty at **5%** of the tax due (Line 4 minus Line 5) for each 30 day period or portion thereof for which the tax is delinquent, up to a maximum of **25%** of the delinquent amount. The minimum penalty is **\$15** for the delinquent filing of a return.

Line 7: Interest. Interest is due on any amount of tax that is paid after the statutory due date of the return. The interest rate is determined in accordance with Tenn. Code Ann. § 67-1-801. The current interest rate can be found at www.tn.gov/revenue. If the payment is late, apply the interest rate to the total tax due (Line 4 minus Line 5).

Line 8: Total amount due. Add Lines 4, 6, and 7; subtract Line 5.

Tax Rate Table	Tax Rate Prior to 07/01/17	Tax Rate 07/01/17 - 06/30/18	Tax Rate 07/01/18 - 06/30/19	Tax Rate 06/30/19
Compressed Natural Gas Tax Rate	\$0.13	\$0.16	\$0.18	\$0.21