

**NOTICE OF CREDIT FOR BAD DEBT LOSSES**

**Use Fuel Vendor**

***Submit this form with your use fuel tax return to report worthless accounts (bad debts).***

NAME	ACCOUNT NUMBER
ADDRESS <i>(street, city, state, zip code)</i>	EMAIL ADDRESS
SIGNATURE	DATE

As a use fuel vendor, you may claim a credit for tax you reported and paid to the California Department of Tax and Fee Administration (CDTFA) on delinquent accounts. To claim this credit: (1) you must have reported and paid the tax on the delinquent amount on a return filed with the CDTFA; (2) you must have charged off the uncollected amount for income tax purposes; and (3) you must file this form, "CDTFA-120, *Notice of Credit for Bad Debt Losses*," with the CDTFA. You may claim a credit only for the amount of tax that applies to the unpaid portion of the account. Be advised that if, after claiming this credit, some or all of these amounts are collected, you must report the gallons of fuel represented by the amounts collected on the first CDTFA return that is due to be filed after such collection. Generally, you will claim this credit on the return for the period after you submit this form notifying the CDTFA of the bad debt losses, or you may also notify the CDTFA of a bad debt and claim the credit on the same return. You must file for credit for bad debt losses within three years of the return period in which the sale that resulted in the bad debt occurred and the tax was paid to CDTFA, as specified in section 8732.5 of the California Use Fuel Tax Law.

PURCHASER'S NAME	TELEPHONE NUMBER (   )
PURCHASER'S FIRM NAME	PURCHASER'S ACCOUNT NUMBER
PURCHASER'S ADDRESS <i>(street, city, state, zip code)</i>	

MONTH AND YEAR OF SALE*	TYPE OF FUEL	GALLONS/UNITS	TAX AMOUNT	FOR CDTFA USE ONLY

\*NOTE: A credit cannot be allowed on a future return if the month and year of sale are not shown.