



SPECIAL NOTICE

CALIFORNIA DEPARTMENT
OF TAX AND FEE
ADMINISTRATION
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Sacramento, CA 95814

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CDTFA WEBSITE
www.cdtfa.ca.gov

CUSTOMER SERVICE CENTER
1-800-400-7115
CRS:
711

Fuel Retailers – Online Reporting

Due to reporting errors regarding over claiming credits, the following guidance is being provided to Sales and Use Tax (SUT) account holders with fuel attributes **and** a Motor Vehicle Fuel (MVF) Pre-Collection Account. Please follow these reporting guidelines when electronically filing your return.¹

MVF Pre-Collection Account

Schedule A, Summary of Taxable Removals, Entries, or Sales

As a wholesaler of fuel, this schedule allows you to report your taxable sales/distributions of fuel. The schedule includes listing the taxable gallons you sell at retail and those gallons sold to other fuel sellers:

- 1) List yourself **and** your customers (for example, retailers, suppliers, and/or wholesalers) to whom you sold fuel.
- 2) For the first record under the column requesting *Customer Name*, list yourself as a customer and include your SUT account number and the total gallons of fuel you sold at retail.
- 3) After completing the first record, add a record for each resale customer to whom you wholesale fuel.
- 4) For each customer, list their name, their SUT or MVF Pre-Collection account number, and the total gallons sold to that customer.

The online system will automatically compute the tax due for each product sold (gasoline, diesel, jet fuel) based upon the current prepayment rate. The prepaid sales tax reported on this schedule, which lists your SUT account number, is the amount that you may apply against your retail sales tax liability on Schedule G of your SUT return. This will be explained further below.

Schedule B, Summary of Sales Tax Paid to Others

As a wholesaler of fuel, you may have purchased fuel that you have already paid the prepaid sales tax to your supplier. To claim this credit (prepaid amount):

- 1) Enter a record for each of your suppliers to whom you paid prepaid sales tax.
- 2) Enter their name, their MVF Pre-Collection account number, and the total gallons of fuel you purchased from that supplier.

The system will automatically compute the credit for the prepaid sales tax paid on your fuel purchases.

Motor Vehicle Fuel Pre-Collection Return

As a wholesaler of fuel, after completing your *Schedule A* and *Schedule B*, the totals of each schedule are automatically transferred onto the MVF Pre-Collection Return. Totals for *Schedule A* should match the total amount listed for *Prepayment Amount*. Totals listed on

¹ Please note: Not all fuel retailers have an MVF account; fuel manufacturers, wholesalers, and suppliers selling motor vehicle (gasoline) fuel, diesel fuel, and aircraft jet fuel to other sellers of fuel are required to hold an MVF account and to collect a prepayment of the sales tax from the person to whom the fuel is first sold to or when it is removed from the rack in California. Each subsequent sale of the specified types of fuel, other than the retail sale to the consumer, requires the collection of prepaid sales tax. The seller who eventually makes the retail sale to the consumer will take a credit, on his or her SUT return, for the prepaid sales tax.

Schedule B should match the total amount listed for *Amount of sales tax prepaid to others*. These two schedules will be used to offset each other on this return to determine the amount due or the resulting credit. The Motor Vehicle Fuel Pre-Collection workbook is now available on CDTFA's webpage at www.cdtfa.ca.gov/services/#Resources.

Excel Templates Available for Upload Feature

The CDTFA has developed Excel templates for several fuel tax forms. To use an Excel template:

- 1) Locate the template on CDTFA's webpage at www.cdtfa.ca.gov/cros/mvpre-collection.htm. General information and instructions are included on the template.
- 2) Complete the template and save it to your computer.
- 3) When filing your return online, go to the applicable schedule and click the *Import* button on the lower right-hand side of the screen to bring up the dialog box.
- 4) Select the Excel file that contains the template with your completed information.
- 5) Follow the prompts provided to import your data onto the schedule.

Please note the following formatting requirements when entering your information on Schedules A and B:

- 1) All account numbers *must be 9 digits*. For account numbers that have less than 9 digits, the leading zero(s) will need to be added, for example, 009999999, 099999999, 999999999.
- 2) The gallons *must have no more than two decimal places and no comma*, for example, 200, 2000.5, 20000.25.
- 3) The columns with the grey header are to be left blank.
- 4) If you have any transactions at a rate other than the current rate, you will need to enter the rate for that particular transaction. Otherwise, leave it blank and it will default to the current rate.
- 5) The file may only be imported in Excel using an "xlsx" file extension, and no formulas should be added to the template.

SUT Account

As a wholesaler of fuel who has an SUT account **and** an MVF Pre-Collection account, you will report all the information previously reported on your MVF Pre-Collection return onto your SUT return. On your SUT return, you will include the information for fuel sold under *Total Gross Sales*. If the fuel was resold to another seller, not including yourself (as reported on your MVF Pre-Collection Return *Schedule A*), then you will show those sales as nontaxable sales and include them under *Deductions and Exemptions as Sales to Other Retailers for Resale*. To correctly support this claimed nontaxable sale, you should receive and maintain a resale certificate.

Schedule G – Sales Tax Prepaid to Fuel Suppliers²

As a wholesaler of fuel who has both an SUT account **and** an MVF Pre-Collection account, to correctly complete your *Schedule G - Sales Tax Prepaid to Fuel Suppliers*, you should report only your own fuel purchases that were sold at retail to make the entry under the first record of your MVF Pre-Collection Return *Schedule A, Summary of Taxable Removals, Entries, or Sales*. The first entry of your *Schedule A* should be the total number of gallons you sold at retail and, therefore; the amount listed should be identical to your entry on your SUT return *Schedule G - Sales Tax Prepaid to Fuel Suppliers*. If your retail sales are

² Please note: Only prepaid sales tax paid on fuel sold at retail should be claimed on *Schedule G*. Do not report any wholesale sales on this schedule.

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not properly claimed on the *Schedule A* of your MVF return, then the credit listed on the *Schedule G* will be disallowed on the SUT return.

If you sold fuel at retail that was purchased at a rate other than the prepaid sales tax rate for any qualifying fuels **do not** claim these fuel purchases that were resold on *Schedule G*.

For more information

Please call our Customer Service Center at 1-800-400-7115 (CRS:711). Customer Service representatives are available Monday through Friday from 8:00 a.m. to 5:00 p.m. (Pacific time), except state holidays.