

EXEMPT BUS OPERATOR USE FUEL TAX RETURN

DUE ON OR BEFORE	PERIOD BEGIN DATE	PERIOD END DATE	CDTFA USE ONLY
			EFF
			PM
YOUR ACCOUNT NUMBER			

CALIFORNIA DEPARTMENT OF
TAX AND FEE ADMINISTRATION
MOTOR CARRIER OFFICE
PO BOX 942879
SACRAMENTO CA 94279-6171

**READ INSTRUCTIONS
BEFORE PREPARING**

Please check this box if this filing represents an **AMENDED RETURN**.

You must complete Schedule A on the back before preparing the return.

		REPORT WHOLE UNITS/GALLONS ONLY				
		A. COMPRESSED NATURAL GAS (Units)	B. LIQUID NATURAL GAS (Units)	C. LIQUEFIED PETROLEUM GAS (LPG), DIMETHYL ETHER (DME), and DME-LPG BLENDS (Gallons)	D. ALCOHOL FUELS (Gallons)	E. KEROSENE, DISTILLATE, STOVE OIL, and OTHER FUELS (Gallons)
1. Total units/gallons of fuel used in motor vehicles	1.					
2. Total nontaxable use of fuel <i>(enter from Schedule A, line A6)</i>	2.					
3. Taxable use of fuel <i>(subtract line 2 from line 1)</i>	3.					
4. Fuel used in qualifying exempt manner:						
4a. Local Transit Services	4a.					
4b. School Bus Transit	4b.					
4c. Total <i>(add lines 4a and 4b)</i>	4c.					
5. Fuel used in nonexempt operations including nonqualifying charter party carrier and passenger stage operations	5.					
6. Tax rate per unit/gallon on fuel used in exempt bus operations (including local transit services and school bus transit)	6.	\$	\$	\$	\$	\$
7. Total tax on exempt use of fuel shown in line 4c <i>(multiply line 4c by line 6)</i>	7.	\$	\$	\$	\$	\$
8. Tax rate per unit/gallon on fuel used in nonexempt bus operations	8.	\$	\$	\$	\$	\$
9. Tax on use of fuel in nonexempt operations shown in line 5 <i>(multiply line 5 by line 8)</i>	9.	\$	\$	\$	\$	\$
10. Total tax <i>(add lines 7 and 9)</i>	10.	\$	\$	\$	\$	\$
11. Tax paid to California vendors on fuel included in line 1 <i>(retain invoices)</i>	11.	\$	\$	\$	\$	\$
12. Balance of tax <i>(subtract line 11 from line 10; if line 11 is greater than line 10, enter a minus sign [-])</i>	12.	\$	\$	\$	\$	\$
13. Total tax due or refund claimed <i>(add columns A, B, C, D, and E of line 12). If claiming a refund, enter the amount as a negative number. Do not claim credit on future returns; a refund will be processed.</i>	13.					\$
14. PENALTY: <i>(multiply line 13 by 10 percent [0.10] if payment made or return filed after the due date shown above)</i>	14.				PENALTY	\$
15. INTEREST: One month's interest is due on tax for each month, or fraction of a month, that payment is delayed after the due date. The adjusted monthly interest rate is . See our website for the Interest Rate Calculator .	15.				INTEREST	\$
16. TOTAL AMOUNT DUE AND PAYABLE OR REFUND CLAIMED <i>(add lines 13, 14, and 15)</i>	16.					\$

For our privacy policy and notice, visit our webpage at www.cdtfa.ca.gov/privacy.htm, or go to www.cdtfa.ca.gov/formspubs/forms.htm and search for **CDTFA-324-GEN-WEB, Privacy Notice—Website—No Action Needed.**

<i>I hereby certify that this return, including any accompanying schedules and statements, has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return.</i>		EMAIL ADDRESS	
SIGNATURE	PRINT NAME AND TITLE	TELEPHONE NUMBER	DATE

SCHEDULE A - NONTAXABLE USE OF FUEL

NOTE: ONLY FUEL INCLUDED ON LINE 1 OF THE RETURN CAN BE CLAIMED ON LINES A1 THRU A6.

REPORT WHOLE UNITS/GALLONS ONLY					
	A. COMPRESSED NATURAL GAS (Units)	B. LIQUID NATURAL GAS (Units)	C. LIQUEFIED PETROLEUM GAS (LPG), DIMETHYL ETHER (DME), and DME-LPG BLENDS (Gallons)	D. ALCOHOL FUELS (Gallons)	E. KEROSENE, DISTILLATE, STOVE OIL, and OTHER FUELS (Gallons)
A1. Fuel used in vehicles operated outside California					
A2. Fuel used in vehicles operated off-highway in California					
A3. Fuel used on highways in California under jurisdiction of U.S. Department of Agriculture					
A4. Compressed natural gas, liquid natural gas, liquefied petroleum gas (LPG), dimethyl ether (DME), and DME-LPG blends used in vehicles for which the annual flat rate tax has been paid					
A5. Other nontaxable use of fuel <i>(please describe)</i>					
A6. Total nontaxable use of fuel <i>(add lines A1 thru A5; enter on line 2 of return)</i>					

INSTRUCTIONS FOR EXEMPT BUS OPERATOR USE FUEL TAX RETURNUser of Fuel Exempt under section [8655](#) of the Revenue and Taxation Code (R&TC)

Payments: To make your payment online, go to our website at www.cdtfa.ca.gov and select *File & Make a Payment*. You can also pay by credit card on our website or by calling 1-855-292-8931. If you are paying by check or money order, be sure to include your account number. Please make your check or money order payable to the California Department of Tax and Fee Administration.

GENERAL INFORMATION

Exempt bus operators must file this return to report use of the following types of fuels (when used in the fuel tanks of motor vehicles):

- Compressed natural gas (CNG),
- Liquid natural gas (LNG),
- Liquefied petroleum gas (LPG),
- Dimethyl ether (DME),
- Dimethyl ether-liquefied petroleum gas blend (DME-LPG blend),
- Alcohol fuels containing not more than 15 percent (0.15) gasoline or diesel fuel (for example, ethanol and methanol),
- Kerosene, distillate, stove oil, and other fuels, or
- Any fuel used or suitable for use in motor vehicles, other than fuel subject to the diesel fuel tax or the motor vehicle fuel tax (for example, blended alcohol fuels containing more than 15 percent (0.15) gasoline are subject to the motor vehicle fuel tax, not the use fuel tax)

For the privilege of operating vehicles powered by fuels described above on state highways and freeways, an exempt bus operator (see Regulation [1323](#) for definitions of *transit service* and *transit operator* for entities and services that qualify for the transit partial exemption) shall make a payment equal to one cent (\$0.01) for each gallon of fuel used in exempt operations.

FILING REQUIREMENTS

Users of fuel subject to the use fuel tax must file returns (R&TC section [8752](#)) . An *exempt bus operator* is a user of fuel subject to the use fuel tax. The return and payment are due on the last day of the month following the end of the reporting period. Payments should be made payable to the California Department of Tax and Fee Administration (CDTFA). A return must be filed for each period even if no fuel was used during the period. If no fuel was used, write the word "none" on line 3. Retain invoices for deliveries of fuel subject to the use fuel tax, into the fuel tank or tanks of each vehicle operated by you and for each delivery into your bulk storage tank or tanks. You should keep detailed records to support the information submitted on your returns (Regulation [1332](#)).

Returns are also required to be filed by the owners and operators of vehicles that use the above fuels in commercial vehicles weighing less than 7,000 pounds who are paying the annual flat rate tax. Additionally, annual flat rate decal holders must provide written representation to fuel vendors that the annual flat rate tax has been paid, and the fuel seller is not liable for collecting and paying those taxes.

- Line 1.** Enter the total number of units or gallons of fuel which you used to operate vehicles both in and out of California.
- Include fuel used by a lessee of your vehicles if you are responsible for furnishing the fuel (see Regulation [1304](#), *User*). Report whole units or whole gallons only. Round off tenths of units to the nearest whole unit. Round off tenths of gallons to the nearest whole gallon. "Bulk storage" includes fuel stored in drums, barrels, tanks, or other storage facilities, except fuel supply tanks of vehicles.
- Line 2.** Enter the number of units or gallons of fuel used in a nontaxable manner from line A6 of Schedule A. Only fuel included in line 1 can be claimed on line 2.
- Line 3.** Subtract line 2 from line 1.
- Line 4a.** Enter the total number of units or gallons of fuel used in an exempt manner for qualifying local transit services by:
- Any transit district, transit authority, or a city owning and operating a local transit system itself or through a wholly owned nonprofit corporation.
 - Any private entity providing transportation services under a contract or agreement other than a general franchise agreement, with a public agency authorized to provide public transportation services.
 - Any passenger stage corporation subject to the jurisdiction of the Public Utilities Commission (PUC) and providing transportation of persons for hire when the motor vehicle is exclusively operated in urban or suburban areas or between cities in close proximity. Do not include fuel used on any route which exceeds 50 miles one-way.
 - Any common carrier of passengers operating exclusively within the limits of a single city between fixed terminals or over a regular route, 98 percent of whose operations are within the limits of a single city.

INSTRUCTIONS FOR EXEMPT BUS OPERATOR USE FUEL TAX RETURN (cont'd)

- Line 4b.** Enter the total number of units or gallons of fuel used in an exempt manner for school bus transit operations by:
- Any school district, community college district, or county superintendent of schools owning, leasing, or operating buses for the purpose of transporting pupils to and from school and for other school activities or any private entity providing such transportation services under a contract with the school district.
- Line 4c.** Enter the sum of lines 4a and 4b.
- Line 5.** Enter the number of units or gallons of fuel used in operations other than exempt local transit services or school bus transit.
Note: The sum of lines 4c and 5 must equal line 3.
- Line 6.** Section 8655 of the Revenue and Taxation Code imposes a tax of one cent (\$0.01) per unit/gallon on the fuel used for local transit services or school bus transit.
- Line 7.** Enter the amount of tax computed on the units/gallons for which exemption is claimed in line 4c. Multiply line 4c by line 6.
- Line 8.** Tax rate on fuel used in nonexempt bus operations.
- Line 9.** Enter the amount of tax computed by multiplying line 7 by the tax rate shown on line 8 for each type of fuel.
- Line 10.** Add lines 7 and 9.
- Line 11.** Enter the amount of the use fuel tax paid to the vendor on fuel purchased in California. Do not include the federal fuel tax or state and local sales and use taxes.
- Line 12.** Subtract line 11 from line 10 and enter the difference on line 12. If line 10 is greater than line 11, enter the amount of tax due with this return. If line 11 is larger than line 10, indicate the credit by entering a minus sign (-).
- Line 13.** Add columns A, B, C, D, and E of line 12 and enter the total on line 13. If the total on line 13 results in a credit, enter the amount as a negative number. ***Do not claim credit on future returns; a refund will be processed.***
- Line 14.** If you are paying your tax on line 13 and/or filing your return after the due date shown on the front of this return, you will owe a penalty of 10 percent (0.10) of the amount of tax due. Enter the penalty by multiplying the tax due on line 13 by 0.10 and enter here. Returns and payments must be postmarked or received by the due date of the return to be considered timely. If the due date falls on a Saturday, Sunday, or state holiday, returns postmarked or received by the next business day will be considered timely.
- Line 15.** If you are paying your tax on line 13 after the due date shown on the front of this return, you will owe interest. The interest rate noted on the front of this return applies for each month, or fraction of a month, that your payment is late. Enter the interest by multiplying the tax due on line 13 by the interest rate shown, then multiply the result by the number of months, or fraction of a month, that have elapsed since the due date and enter here. You may use the [Interest Rate Calculator](#) on our website for help calculating the interest due.
- Line 16.** Enter the total amount due and payable by adding lines 13, 14, and 15. If claiming a refund, enter the amount of the refund claimed as a negative number.
- Note: Gallons vs. Units:* Fuel transactions are reported in terms of gallons, except for CNG and LNG, which are reported as units. For tax reporting purposes, 126.67 cubic feet or 5.66 pounds (gasoline gallon equivalent) of CNG measured at standard pressure and temperature (14.73 pounds per square inch at 60 degrees Fahrenheit), and 6.06 pounds (diesel gallon equivalent) of LNG will be shown as one unit.

If you need additional information, please contact the California Department of Tax and Fee Administration, Motor Carrier Office, P.O. Box 942879, Sacramento, CA 94279-0065. You may visit our website at www.cdtfa.ca.gov or call the Customer Service Center at 1-800-400-7115 (CRS:711); from the main menu, select the option *Special Taxes and Fees*. Customer service representatives are available Monday through Friday from 7:30 a.m. to 5:00 p.m. (Pacific time), except state holidays.