

INSTRUCTIONS FOR ANNUAL USE FUEL USER TAX REPORT (form 735-1325UA):

The Use Fuel User Tax Report is used to report and calculate tax due on Use Fuel. The most common Use Fuel is clear diesel, but use fuel also includes propane, CNG, LNG, biodiesel, and any other combustible gas, liquid, or material (not gasoline) used to generate power to propel a motor vehicle on public roads. Generally, dyed diesel is not reportable as use fuel under Oregon laws because Federal law prohibits the use of dyed diesel to propel vehicles on highways. Dyed diesel should not be included in this report unless the dyed diesel is being used to propel vehicles on the highways, in spite of the Federal prohibition.

WHAT TO INCLUDE IN THIS REPORT:

This report is for licensed Users with only one vehicle and that vehicle's light weight is less than 8,000 pounds. If the User elects to report under this provision, an accurate record of miles driven must be maintained and presented when requested by the Department. When calculating the mpg for the vehicle, an actual mpg or the industry average mpg for the vehicle may be used.

Reporting Period and User Information:

Write in the calendar year for which this report is being prepared. Reports are due (received in the office) on or before March 1st following the end of the report period. Complete the user name, address and license number fields in the header section of the report.

Line 1. Vehicle operations (columns A through H)

Line 2. Taxable Gallons of Use Fuel - Total from column H.

Line 3. Fuel Purchased Tax-Paid. Represents fuel on which the Oregon Use Fuel Tax was paid at the time of purchase. Include invoices/receipts showing payment of the tax.

Rules for Rounding (Lines 1 through 3)- If your mpg generates fractional gallons, round up or down to the nearest whole gallon.

Line 4. Total Taxable Gallons of Use Fuel. Subtract line 3 from line 2 and enter the result on line 4.

Line 5. Use Fuel Tax. Multiply the gallons on line 4 by the current tax rate as indicated.

Line 6. Interest

Interest is due when your report is received and/or paid after the due date. Interest is computed on the net tax due as shown on line 5. The interest rate is 0.0329% per day (0.000329).

How to Compute Interest:

Enter the due date in the first box, and enter date paid in the second box on line 6. Count the number of days late, and enter in the third box on line 6.

Multiply: the tax on line 5 by the number of days late by 0.000329 (the daily interest rate), and enter the result on line 6. For example, if you owed \$3,500 in tax, and were 10 days late with your payment, the interest due would be \$11.52 (3500 x 10 x 0.000329).

Line 7. 10% Late Payment Penalty

The 10% late payment penalty is due whenever your report is received and/or paid after the due date. The penalty is computed on the net tax due. To calculate the penalty, multiply the net tax as computed on line 5 by 0.1 (ten percent); enter the result on line 7.

You may request, in writing, a waiver of the late payment penalty. When your request is received, filing history and other factors will be reviewed to determine whether you meet the criteria for a penalty waiver. Payments are applied first to penalty, then to interest, then to tax. Any remaining balance will continue to accrue interest until paid.

Line 8. Other Amounts Paid or Deducted. List additional obligations being paid or pre-approved credits being taken.

Line 9. Total Due. Add the amounts on lines 5, 6, 7, and 8 and enter the total on line 9.

CERTIFICATION OF USER: Sign and date the completed form on the lines provided, and legibly print the name of the person signing the form.