



**Special Instructions for Registered Distributors and Transporters
Related to Fuel Sold to an Indian Nation or Tribe**

Distributors of motor fuel and diesel motor fuel

New York State registered distributors may sell motor fuel and diesel motor fuel directly to an Indian nation or tribe exempt from the excise tax (Article 12-A), petroleum business tax (Article 13-A), and prepaid sales tax (Article 28), provided all of the following conditions are met:

- the fuel is delivered to nation or tribal lands.
- the purchase documents (purchase order, purchase card, contract, invoice, etc.) clearly indicate that title passes directly to the Indian nation or tribe when the fuel is removed from the seller's inventory, and
- payment is made by the nation or tribe.

In addition, a New York State registered distributor may purchase fuel on behalf of an Indian nation or tribe from another New York State registered distributor without taxes passed through provided all of the above conditions are met.

To properly account for these exempt transactions and claim credit for any taxes prepaid, distributors selling fuel directly to an Indian nation or tribe or to another registered distributor purchasing the fuel on behalf of an Indian nation or tribe should report the total gallons sold under these conditions on Form PT-101.3, *Nontaxable Sales of Motor Fuel*, Part 2, or Form PT-102.2, *Diesel Motor Fuel Nontaxable Sales*, Part 3. Distributors should report these sales as sold to exempt purchasers when they Web file their sales tax return (Form FT-945/1045, *Sales Tax Prepayment on Motor Fuel/Diesel Motor Fuel Return*).

Transporters of motor fuel and diesel motor fuel

Transporters delivering motor fuel or diesel motor fuel on behalf of an Indian nation or tribe must be properly licensed under Article 12-A of the Tax Law and must carry a properly completed manifest.

Note: An N-Notice is generally issued to announce a singular event, such as an update to a previously issued tax form or instruction, or to announce a new due date for filing returns and making payments of tax because of a natural disaster. The department does not revise previously issued N-Notices.