



Annual Schedule FR Instructions

Sales and Use Tax on Motor Fuel and Diesel Motor Fuel

For tax periods:

Section 1 — March 1, 2006, through May 31, 2006

Section 2 — June 1, 2006, through August 31, 2006

Section 3 — September 1, 2006, through February 28, 2007

Due to several legislative changes that occurred throughout the year, you must compute and report your sales tax due for this annual period in separate sections of this schedule. Complete Section 1 for the period March 1, 2006, through May 31, 2006. Complete Section 2 for the period June 1, 2006, through August 31, 2006. Complete Section 3 for the period September 1, 2006, through February 28, 2007. **Enter subtotals from Sections 1, 2 and 3 in Section 4, Annual Schedule FR Summary.**

Who must file

Vendors selling motor fuel or diesel motor fuel at retail or reporting tax on the self-use of these fuels must file Form ST-101.10, *Annual Schedule FR*, to report tax on their taxable sales and purchases of motor fuel or diesel motor fuel during the period covered by the return.

Special notice: Retailers of heating oil only — Do not report your sales and self-use of heating oil on this form. See Form ST-101-I, *Instructions for Form ST-101*, and Form ST-101.3, *Annual Schedule B*, for information on how to report heating oil transactions.

Specific instructions

Identification number and name — Print the sales tax identification number and legal name as shown on Form ST-101, *New York State and Local Annual Sales and Use Tax Return*, or on your business's *Certificate of Authority* for sales and use tax. If you file single pages (e.g., printed from Web site), please **also** enter your sales tax identification number at the top of each page where space is provided.

Section 1 March 1, 2006, through May 31, 2006

STEP 1 — Summary of gallons sold

Taxable gallons sold — Motor fuel — Enter the number of taxable gallons of all types of motor fuels sold in New York State during the period March 1, 2006, through May 31, 2006. Separate your gallons sold into three categories: Regular, mid-grade, and premium. Include propane in the *Regular* category, and aviation gasoline in the *Premium* category.

Taxable gallons sold — Diesel motor fuel — Enter the total number of taxable gallons of diesel motor fuel sold during the period March 1, 2006, through May 31, 2006.

Non-taxable gallons sold — Enter the combined total of non-taxable gallons of motor fuel (combining regular, mid-grade, and premium) and diesel motor fuel sold during the period March 1, 2006, through May 31, 2006.

STEP 2 — Summary of gross sales and total credits

Gross sales of motor fuel and diesel motor fuel — Enter the total dollar amount of sales made for all types of motor fuel and for diesel motor fuel (including those **exempt** from sales tax).

To compute gross sales:

1. subtract the sales tax per gallon from the pump price (see Publication 872, *Sales Tax Collection Charts For Motor Fuel or Diesel Motor Fuel Sold at Retail* for detailed instructions);
2. multiply that amount by the number of gallons sold at that price; and
3. add the amounts determined in the preceding step for all pump prices.

Include motor fuel and diesel motor fuel sales made in New York State (even if for delivery outside New York State) and sales made at business locations outside New York State for delivery into New York State. Do not include sales made at business locations outside New York State for delivery outside New York State.

Total credits against tax on motor fuel and diesel motor fuel —

Enter the total amount of the credits that you can identify by jurisdiction and that will be claimed in Step 3 as a subtraction from sales. You must attach substantiation for the credits reported in this box. Do not include the credit for prepaid sales tax on motor fuel and diesel motor fuel, which is claimed in Section 4.

STEP 3 — Calculate sales tax by jurisdiction

Credits — Reduce the amount of taxable sales and services to be entered on a jurisdiction line by the amount of any credits related to that jurisdiction. If the result is a negative number, precede it with a minus sign (-).

Reporting sales and self-use of motor fuel and diesel motor fuel in Column C and Column D — Entries in Column C and Column D must include the total dollar value of both taxable retail sales and self-use of motor fuel and diesel motor fuel for the period March 1, 2006, through May 31, 2006. Report your taxable sales and self-use on the line for the taxing jurisdiction in which the fuel is delivered to the customer or in which you use it.

- If you make sales of motor fuel or diesel motor fuel at your place of business, you must report the taxable sales on the line for the taxing jurisdiction in which your business is located, and compute the tax on the actual selling price at the rate applicable in that jurisdiction.
- If you deliver motor fuel or diesel motor fuel to the retail customer's place of business, either directly or by common carrier, you must compute the tax on the actual selling price at the rate in the jurisdiction where the customer is located. Report the sale on the line for that jurisdiction.

Column C — Motor fuel taxable sales and self-use — Report your total sales of motor fuel subject to New York State and local sales taxes, and total purchases subject to tax as a result of self-use.

To compute your **taxable sales** of motor fuel:

1. subtract the sales tax per gallon from the pump price (see Publication 872);
2. subtract the eight cents-per-gallon state motor fuel excise tax; and
3. multiply the result by the number of taxable gallons sold.

This calculation must be done for each jurisdiction and for each pump price of the motor fuel.

To compute **taxable self-use** of motor fuel, multiply your purchase price by the number of gallons you removed from inventory and used (excluding the eight cents-per-gallon state motor fuel excise tax).

Column D — Diesel motor fuel taxable sales and self-use — Report your total sales of **diesel motor fuel** subject to New York State and local sales taxes, and total purchases subject to tax as a result of self-use.

To compute your **taxable sales** of diesel motor fuel:

1. subtract the sales tax per gallon from the pump price (see Publication 872);
2. subtract the eight cents-per-gallon state diesel motor fuel excise tax; and
3. multiply the result by the number of taxable gallons sold.

This calculation must be done for each jurisdiction and for each pump price of the diesel motor fuel.

To compute **taxable self-use** of diesel motor fuel, multiply your purchase price by the number of gallons you removed from inventory and used (excluding the eight cents-per-gallon state diesel motor fuel excise tax).

Column F — Sales and use tax

The amount of tax to report for each jurisdiction is the **greater** of the following: The tax computed by multiplying the total of Column C and Column D by the tax rate entered in Column E; or the amount actually collected. Enter the greater amount in Column F. Add the amounts reported in Column F and enter the total in box 1.

Section 2
June 1, 2006, through August 31, 2006

Effective June 1, 2006, the Tax Law was amended to change the New York State percentage rate sales tax on motor fuel and diesel motor fuel to a cents-per-gallon method. The change to a cents-per-gallon method also applies to the additional state sales tax imposed on motor fuel and diesel motor fuel in the Metropolitan Commuter Transportation District (MCTD). The state sales tax on motor fuel and diesel motor fuel outside the MCTD is now 8 cents-per-gallon. In the MCTD, the tax is 8¼ cents-per-gallon. See TSB-M-06(8)S, *New Guidelines on the Sales of Motor Fuel and Diesel Motor Fuel Subject to the Cents-Per-Gallon Sales Tax*, for more information.

Counties and cities are also allowed to change their percentage rate sales tax to a cents-per-gallon method, effective for sales and uses occurring on or after July 1, 2006. See TSB-M-06(9)S, *Local Sales Tax on Qualified Motor Fuel and Diesel Motor Fuel, Localities Electing to Change to Cents-Per-Gallon Calculation Method Effective July 1, 2006 and Other Rate Information*.

This new cents-per-gallon method applies only to sales and uses of *qualified fuel*, as defined below.

Qualified fuel means motor fuel or diesel motor fuel that is:

- sold for use directly and exclusively in the engine of a motor vehicle; or
- sold by a *retail gas station* (other than water-white kerosene sold exclusively for heating purposes in containers of no more than twenty gallons).

Retail gas station means a filling station where motor fuel or diesel motor fuel is stored primarily for sale by delivery directly into the ordinary fuel tank connected with the engine of a motor vehicle to be consumed in the operation of such motor vehicle. A *retail gas station* also includes a filling station where motor fuel or diesel motor fuel is stored primarily for sale by delivery directly into the ordinary fuel tank connected with the engine of a vessel to be consumed in the operation of the vessel (e.g., a marina gas station).

If a business qualifies as a retail gas station, any motor fuel or diesel motor fuel it sells (other than water-white kerosene sold exclusively for heating purposes in containers of no more than twenty gallons) is qualified fuel and must be reported on this schedule.

Qualified fuel includes motor fuel and diesel motor fuel sold by vendors other than retail gas stations if the fuel is used directly and exclusively in the engine of a motor vehicle (e.g., qualified fuel would include motor fuel or diesel motor fuel sold by a distributor to a bulk purchaser who will use the fuel exclusively in its fleet of rental cars). Any vendor of fuels that is **not** a retail gas station must compute the sales tax due using the percentage rate method unless the purchaser gives the vendor a properly completed Form ST-121, *Exempt Use Certificate*, as explained in TSB-M-06(8)S. If the vendor receives and accepts a properly completed Form ST-121, the fuel is considered qualified fuel and the sale must be reported on this schedule.

Sales of motor fuel or diesel motor fuel that is not qualified fuel must be reported on the appropriate jurisdiction line on Form ST-101. This includes sales of fuel sold for commercial heating purposes, fuel sold for use in manufacturing and sales by fixed base operators of aviation gasoline or kero-jet fuel for use in an aircraft.

STEP 1 — Summary of gallons sold

Taxable gallons sold — Motor fuel — Enter the number of taxable gallons of all types of motor fuels sold in New York State during the period June 1, 2006, through August 31, 2006. Separate your gallons sold into three categories: Regular, mid-grade, and premium. Include propane (dispensed into the fuel tank of a motor vehicle) in the *Regular* category.

Taxable gallons sold — Diesel motor fuel — Enter the total number of taxable gallons of diesel motor fuel sold during the period June 1, 2006, through August 31, 2006.

Non-taxable gallons sold — Enter the combined total of non-taxable gallons of motor fuel (combining regular, mid-grade, and premium) and diesel motor fuel sold during the period June 1, 2006, through August 31, 2006.

STEP 2 — Summary of gross sales and total credits

Gross sales of motor fuel and diesel motor fuel — Enter the total dollar amount of sales made for all types of motor fuel and diesel motor fuel. Include exempt sales in this amount. **Do not** include the amount of sales tax collected.

To compute your **gross sales** of motor fuel and diesel motor fuel sold using a tax-included pump price:

1. subtract the New York State 8 cents-per-gallon and MCTD ¾ cents-per-gallon sales tax (if applicable) from the pump price;
2. subtract the local sales tax per gallon amount. See Publication 873, *Local Sales Tax Collection Charts for Motor Fuel and Diesel Motor Fuel Sold at Retail*, for all sales made from June 1, 2006, through June 30, 2006, and for sales made from July 1, 2006, through August 31, 2006, in jurisdictions that continued to impose their local tax at a percentage rate. For sales made from July 1, 2006, through August 31, 2006, in jurisdictions that imposed their local tax at a cents-per-gallon rate subtract the amount shown for the jurisdiction in Step 4. (Note: for sales made in the cities of Sherrill, Utica and Saratoga Springs from July 1, 2006, through August 31, 2006, you must subtract both the amount from Publication 873 and the cents-per-gallon rate shown in Step 4.);
3. multiply the result by the number of gallons sold at that pump price; and
4. add the amounts determined in the preceding step for all pump prices.

Include motor fuel and diesel motor fuel sales made in New York State (even if for delivery outside New York State) and sales made at business locations outside New York State for delivery into New York State. Do not include sales made at business locations outside New York State for delivery outside New York State.

Total credits against tax on motor fuel and diesel motor fuel — Enter the total amount of the credits that you can identify by jurisdiction and that will be claimed in Steps 3 through 5 as a subtraction from sales. You must attach substantiation for the credits reported in this box. Do not include the credit for prepaid sales tax on motor fuel and diesel motor fuel, which is claimed in Section 4.

Reporting sales and self-use of motor fuel and diesel motor fuel in Steps 3 through 5

Credits — For Steps 3 through 5, reduce the amount of taxable gallons to be entered on a jurisdiction line by the amount of any credits related to that jurisdiction. If the result is a negative number, precede it with a minus sign (-).

Reporting sales and self-use of motor fuel and diesel motor fuel in Columns C and D — Entries in Columns C and D must include the total dollar value (or gallons, where applicable) of taxable retail sales and self-use of motor fuel and diesel motor fuel for the period. Report your taxable sales (or gallons) and self-use on the line for the jurisdiction in which the fuel is delivered to the customer or in which you use it.

- If you make sales of motor fuel or diesel motor fuel at your place of business, you must report the sales on the line for the taxing jurisdiction in which your business is located and compute the tax at the rate in effect for that jurisdiction.
- If you deliver the fuel to your customer, either directly or by common carrier, you must compute the tax at the rate in effect in that jurisdiction.

STEP 3 — Calculate New York State/MCTD tax (cents-per-gallon)

Enter the total number of gallons of motor fuel sold or removed from inventory for your use in Column C. Enter the total number of gallons of diesel motor fuel sold or removed from inventory for your use in Column D. Sales and self-use in New York State outside the MCTD are subject to 8 cents-per-gallon state tax and are reported on the *New York State only* line. Sales and self-use in New York State within the MCTD are subject to 8¼ cents-per-gallon state tax and are reported on the *New York State/MCTD* line. For each line, add the amount in Column C to the amount in Column D and multiply the result by the cents-per-gallon rate in Column E. Enter the result in Column F.

Add the amounts reported in Column F and enter the total in box 3.

STEP 4 — Calculate local sales tax by jurisdiction (cents-per-gallon)

The jurisdictions listed in Step 4 have enacted a cents-per-gallon rate method for computing sales tax on fuel effective **July 1, 2006**. Enter the total number of gallons sold or removed from inventory for your use during the period July 1, 2006, through August 31, 2006, on the line for the applicable taxing jurisdiction. For each line, add the amount in Column C to the amount in Column D and multiply the result by the cents-per-gallon rate in Column E. Enter the result in Column F. Add the amounts in Column F and enter the result in box 2. Sales and self-use made in these jurisdictions during the period June 1, 2006, through June 30, 2006, must be reported in Step 5 using the sales tax percentage rate method. Jurisdictions **not** listed in Step 4 have not enacted a cents-per-gallon option. Sales and self-use occurring in those localities must be reported in Step 5.

STEP 5 — Calculate local sales tax by jurisdiction (percentage rate)

Columns C and D – Motor fuel and diesel motor fuel taxable sales and self-use

Report your sales and self-use of motor fuel and diesel motor fuel subject to local sales tax at the current local sales tax percentage rate. To compute your **taxable sales** of motor fuel and diesel motor fuel sold using a tax-included pump price:

1. subtract the New York State 8 cents-per-gallon and MCTD $\frac{3}{4}$ cents-per-gallon sales tax (if applicable) from the pump price;
2. subtract the local sales tax per gallon amount. See Publication 873 for all sales made from June 1, 2006, through June 30, 2006, and for sales made from July 1, 2006, through August 31, 2006, in jurisdictions that continued to impose their local tax at a percentage rate. For sales made from July 1, 2006, through August 31, 2006, in jurisdictions that imposed their local tax at a cents-per-gallon rate subtract the amount shown for the jurisdiction in Step 4. (Note: for sales made in the cities of Sherrill, Utica and Saratoga Springs from July 1, 2006, through August 31, 2006, you must subtract both the amount from Publication 873 and the cents-per-gallon rate shown in Step 4.);
3. subtract the 8 cents-per-gallon New York State motor fuel or diesel motor fuel excise tax; and
4. multiply the result by the number of taxable gallons sold at that pump price. This amount is the taxable sales amount for that pump price.

This calculation must be done for each pump price, in each jurisdiction, for both motor fuel and diesel motor fuel.

To compute your **taxable self-use**, subtract the 8 cents-per-gallon New York State motor fuel or diesel motor fuel excise tax from your purchase price and multiply the result by the number of gallons you removed from inventory for your use.

Column F — Sales and use tax — The amount of tax to report for each jurisdiction is the **greater** of the following: The tax computed by multiplying the total of Column C and Column D by the tax rate entered in Column E; or the amount actually collected. Enter the greater amount in Column F.

Column totals for Step 5 — Add the amounts reported in Step 5, Column F and enter the total in box 3. Enter the amount from Step 3, box 1 in box 4. Enter the amount from Step 4, box 2 in box 5. Add the amounts in boxes 3, 4 and 5; enter the result in box 6.

Section 3 September 1, 2006, through February 28, 2007

Effective September 1, 2006, there is a partial exemption from state and local sales taxes on the sale or use of B20 biodiesel that is qualified fuel.

If a jurisdiction currently imposes its local sales tax on qualified fuel using the cents-per-gallon method (listed in Step 4), the new law provides that its cents-per-gallon rate on the sale or use of qualified B20 is 80% of the regular rate that applies to qualified fuel. If a jurisdiction imposes its local sales tax on qualified fuel using the percentage rate method (listed in Step 5 of this schedule), the local sales tax on sales of qualified B20 is determined by multiplying 80% of the taxable receipt by the percentage rate for the jurisdiction.

Sales and uses of qualified B20 are reported in Steps 3A, 4A, and 5 of this schedule. See the instructions for Steps 3A, 4A, and 5 and TSB-M-06(10)S, *Sales Tax Exemptions and Reductions for Certain Alternative Fuels Beginning September 1, 2006*, for more information.

Also effective September 1, 2006, retail sales and uses of hydrogen, E85, and compressed natural gas (CNG) that are qualified fuels are fully exempt from the state and local sales tax. Sales of these qualified fuels are reported only in Step 1, *Summary of gallons sold* under *Non-taxable gallons sold*, and as part of your gross sales in Step 2, *Summary of gross sales and total credits*.

STEP 1 — Summary of gallons sold

Taxable gallons sold — Motor fuel — Enter the number of taxable gallons of qualified motor fuel sold in New York State during the period September 1, 2006, through February 28, 2007. Separate your gallons sold into three categories: Regular, mid-grade, and premium. Include propane (dispensed into the fuel tank of a motor vehicle) in the *Regular* category.

Taxable gallons sold — Diesel motor fuel — Enter the total number of taxable gallons of qualified diesel motor fuel sold during the period September 1, 2006, through February 28, 2007.

Non-taxable gallons sold — Enter the combined total of non-taxable gallons of qualified motor fuel (combining regular, mid-grade, and premium) and qualified diesel motor fuel sold during the period September 1, 2006, through February 28, 2007. Include sales of E85, hydrogen, and CNG in this amount. See TSB-M-06(10)S for more information on the exemption from sales tax on these alternative fuels.

STEP 2 — Summary of gross sales and total credits

Gross sales of motor fuel and diesel motor fuel — Enter the total dollar amount of sales made for all types of qualified motor fuel and diesel motor fuel. Include exempt sales in this amount. **Do not** include the amount of sales tax collected. Include sales of E85, hydrogen, and CNG in this amount. See TSB-M-06(10)S for more information on the exemption from sales tax on these alternative fuels.

To compute your **gross sales** of qualified fuel sold using a tax-included pump price:

1. subtract the New York State 8 cents-per-gallon and MCTD $\frac{3}{4}$ cents-per-gallon sales tax (if applicable) from the pump price;
2. subtract the local sales tax per gallon amount. See Publication 873 for all sales made in jurisdictions that continued to impose their local tax at a percentage rate. For sales made in jurisdictions that imposed their local tax at a cents-per-gallon rate subtract the amount shown for the jurisdiction in Step 4 (or Step 4A, for sales of B20 biodiesel). Note: for sales made in the cities of Sherrill, Utica and Saratoga Springs, you must subtract both the amount from Publication 873 and the cents-per-gallon rate shown in Step 4 (or Step 4A, for sales of B20 biodiesel);
3. multiply the result by the number of gallons sold at that pump price; and
4. add the amounts determined in the preceding step for all pump prices.

Include sales of qualified fuel made in New York State (even if for delivery outside New York State) and sales made at business locations outside New York State for delivery into New York State. Do not include sales made at business locations outside New York State for delivery outside New York State.

Total credits against tax on motor fuel and diesel motor fuel — Enter the total amount of the credits that you can identify by jurisdiction and that will be claimed in Steps 3 through 5 as a subtraction from sales. You must attach substantiation for the credits reported in this box. Do not include the credit for prepaid sales tax on motor fuel and diesel motor fuel, which is claimed in Section 4.

Reporting sales and self-use of qualified motor fuel and diesel motor fuel — For Steps 3 through 5, reduce the amount of taxable gallons to be entered on a jurisdiction line by the amount of any credits related to that jurisdiction. If the result is a negative number, precede it with a minus sign (-). Entries in Columns C and D must include the total dollar value (or gallons, where applicable) of taxable retail sales and self-use of qualified motor fuel and diesel motor fuel for the period covered by this return. Report your taxable sales (or gallons) and self-use on the line for the jurisdiction in which the fuel is delivered to the customer or in which you use it.

- If you make sales of qualified motor fuel or diesel motor fuel at your place of business, you must report the sales on the line for the taxing jurisdiction in which your business is located and compute the tax at the rate in effect for that jurisdiction.
- If you deliver the qualified fuel to your customer, either directly or by common carrier, you must compute the tax at the rate in effect in that jurisdiction.

STEP 3 — Calculate New York State/MCTD tax (cents-per-gallon)

Enter the total number of gallons of qualified motor fuel sold or removed from inventory for your use in Column C. Enter the total number of gallons of qualified diesel motor fuel sold or removed from inventory for your use in Column D. Sales and self-use in New York State outside the MCTD are subject to 8 cents-per-gallon state tax and are reported on the *New York State only* line. Sales and self-use in New York State within the MCTD are subject to 8¾ cents-per-gallon state tax and are reported on the *New York State/MCTD* line. For each line, add the amount in Column C to the amount in Column D and multiply the result by the cents-per-gallon rate in Column E. Enter the result in Column F. Add the amounts reported in Column F and enter the result in box 1.

STEP 3A — Calculate New York State/MCTD tax (cents-per-gallon) on B20 biodiesel only

Enter the total number of gallons of qualified B20 biodiesel sold or removed from inventory for your use in Column C. Sales and self-use in New York State outside the MCTD are subject to 6 cents-per-gallon state tax and are reported on the *New York State only* line. Sales and self-use in New York State within the MCTD are subject to 6.6 cents-per-gallon state tax and are reported on the *New York State/MCTD* line. For each line, multiply the amount in Column C by the cents-per-gallon rate in Column D. Enter the result in Column E. Add the amounts reported in Column E and enter the result in box 2.

STEP 4 — Calculate local sales tax by jurisdiction (cents-per-gallon)

The jurisdictions listed in Step 4 have enacted a cents-per-gallon rate method for computing sales tax on qualified fuel. Enter the total number of gallons sold or removed from inventory for your use on the line for the applicable taxing jurisdiction. For each line, add the amount in Column C to the amount in Column D and multiply the result by the cents-per-gallon rate in Column E. Enter the result in Column F. Add the amounts in Column F and enter the result in box 3.

Jurisdictions **not** listed in Step 4 have not enacted a cents-per-gallon option. Sales and self-use occurring in those localities must be reported in Step 5.

STEP 4A — Calculate local sales tax by jurisdiction (cents-per-gallon) on B20 biodiesel only

Enter the total number of gallons of qualified B20 biodiesel sold or removed from inventory for your use on the line for the applicable jurisdiction. For each line, multiply the amount in Column C by the cents-per-gallon rate in Column D. Enter the result in Column E. Add the amounts reported in Column E and enter the result in box 4.

STEP 5 — Calculate local sales tax by jurisdiction (percentage rate)

Columns C and D – Qualified motor fuel and diesel motor fuel taxable sales and self-use — The jurisdictions listed in Step 5 continue to impose their local sales tax using the percentage rate method.

Report your sales and self-use of qualified motor fuel and diesel motor fuel subject to local sales tax at the current local sales tax percentage rate.

To compute your **taxable sales** of qualified motor fuel and diesel motor fuel sold using a tax-included pump price:

1. subtract the New York State 8 cents-per-gallon and MCTD ¾ cents-per-gallon sales tax (if applicable) from the pump price;
2. subtract the local sales tax per gallon amount. See Publication 873 for all sales made in jurisdictions that continued to impose their local tax at a percentage rate. Note: for sales made in the cities of Sherrill, Utica and Saratoga Springs, you must subtract both the amount from Publication 873 and the cents-per-gallon rate shown in Step 4 (or Step 4A, for sales of B20 biodiesel);
3. subtract the 8 cents-per-gallon New York State motor fuel or diesel motor fuel excise tax; and
4. multiply the result by the number of taxable gallons sold at that pump price. This amount is the taxable sales amount for that pump price.

This calculation must be done for each pump price, in each jurisdiction, for both qualified motor fuel and diesel motor fuel.

To compute your **taxable self-use**, subtract the 8 cents-per-gallon New York State motor fuel or diesel motor fuel excise tax from your purchase

price and multiply the result by the number of gallons you removed from inventory for your use.

5. for **B20 biodiesel only**: The local sales tax on the sales of qualified B20 in jurisdictions that impose their local sales tax on qualified fuel using the percentage rate method is determined by multiplying 80% of the taxable receipt by the percentage rate for the jurisdiction. Therefore, you must multiply the result in Step 4 above by 80% to determine your taxable receipt for sales of B20 biodiesel.

Column F — Sales and use tax — The amount of tax to report for each jurisdiction is the **greater** of the following: The tax computed by multiplying the total of Column C and Column D by the tax rate entered in Column E; or the amount actually collected. Enter the greater amount in Column F.

Column totals for Step 5 — Add the amounts reported in Step 5, Column F and enter the total in box 5. Enter the amount from Step 3, box 1 in box 6. Enter the amount from Step 3A, box 2 in box 7. Enter the amount from Step 4, box 3 in box 8. Enter the amount from Step 4A, box 4 in box 9. Add the amounts in boxes 5, 6, 7, 8 and 9; enter the total in box 10.

Section 4 — Annual Schedule FR Summary March 1, 2006, through February 28, 2007**STEP 1 — Summary of Sales and Use Tax for March 1, 2006, through February 28, 2007**

Enter the amounts from Sections 1, 2 and 3, in boxes 1 through 3 as indicated. Add boxes 1, 2, and 3 and enter the total in box 4, *Total sales and use tax*.

STEP 2 — Calculate tax adjustments

Credit for prepaid sales tax (Boxes 5 and 8) — Enter in the appropriate box the total amount of prepaid sales tax either paid by you or included in the price you paid to your supplier for motor fuel and for diesel motor fuel sold or used during the period. (Include all motor fuel and diesel motor fuel sold by you whether or not subject to sales tax* and all motor fuel and diesel motor fuel reported as used during the period.) **Do not** include this credit amount in Step 5 on Form ST-101.

* **Exception:** Registered motor fuel or diesel motor fuel distributors making sales in bulk (that is, sales through a marketing location other than a retail service station) should report the credit for prepaid sales tax on motor fuel or diesel motor fuel sold to exempt purchasers or delivered out of state to their customers on Form FT-945/1045, *Report of Sales Tax Prepayment On Motor Fuel/Diesel Motor Fuel*, Parts 1 and 2, lines 10a and 17a, respectively. You must keep records to substantiate the payment of prepaid sales tax to your suppliers for at least three years after filing this return and make these records available upon request by the Commissioner of Taxation and Finance.

Refunds received or requested (Boxes 6 and 9) — Enter in the appropriate box the total amount of any refunds you have requested for the prepaid sales tax reported in boxes 5 and 8. You must include in these boxes all refunds you have requested, whether or not you have received these amounts.

Net credit (Boxes 7, 10, and 11) — For each column, subtract the requested refund amount from the prepaid sales tax amount and enter the difference. Add the net credit for motor fuel from box 7 to the net credit for diesel motor fuel from box 10 and enter the total in box 11, Column F.

Adjusted tax (Box 12) — Subtract the amount in box 11 from the amount in Step 1, box 4, and enter the result in box 12. Also enter this adjusted tax amount on Form ST-101, page 2, Step 3, in box 2. If the amount of credit in box 11 is greater than the amount of tax in box 4, the adjusted tax amount in box 12 will be negative. You should identify this as a negative amount by preceding it with a minus sign (-).

Filing this schedule

File a completed Form ST-101.10 and any other attachments with Form ST-101 by the due date. Please be sure to keep a copy of your completed return for your records.

Need help? and Privacy notification

See Form ST-101-I, *Instructions for Form ST-101*.