

April 25, 2012

Changes to the Reporting of Ethanol Transactions on the Nebraska Monthly Fuels Tax Return, Form 73

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Effective with the July 2012 return, the reporting of ethanol (product code 123 or E00) in Nebraska will be changed. These changes allow us to more efficiently cross match ethanol transactions, and will not impact the taxation point of ethanol or the calculation of the Petroleum Release Remedial Action Fee (PRF).

Ethanol Delivered into Terminal Storage. Two schedule codes will be added to the Nebraska Multiple Schedule of Receipts, [Form 73 MFR](#):

- 2A Gross Gallons of Ethanol Received Without Tax or PRF in Nebraska and Delivered into Tax-Free Terminal Storage in Nebraska
- 4 Gross Gallons of Ethanol Imported Without Tax or PRF from Another State and Delivered into Tax-Free Terminal Storage in Nebraska

Both schedule codes will be used only for reporting bulk ethanol transactions by entities purchasing or importing ethanol and placing it into Nebraska terminal storage. The IRS terminal code must be reported as the destination to indicate the terminal into which the ethanol was delivered. These transactions will appear only on the Form 73 MFR. A separate disbursement schedule code will not be needed for these transactions. Transactions reported using schedule codes 2A and 4 will be used for tracking purposes only and will not enter into the calculations on the face of the return.

Ethanol Transactions Outside the Terminal System. Entities purchasing outside the terminal system, or importing bulk ethanol and not placing it directly into Nebraska terminal storage, are required to report the movement of this fuel. The receipt is reported using existing schedule codes 2 or 3:

- 2 Gross Gallons Received Without Tax or PRF From a Licensed Producer, Supplier, Distributor, or Importer
- 3 Gross Gallons Imported Without Tax or PRF Via Transport or Rail From Another State

If the fuel is subsequently sold to another Nebraska motor fuels tax licensee or exported out of Nebraska, the disbursement is reported using existing schedule codes 6 or 7:

- 6 Gross Gallons Disbursed Without Tax or PRF to a Licensed Supplier, Distributor, Wholesaler, or Exporter
- 7 Gross Gallons Exported Without Tax or PRF to Another State

Ethanol Transactions Within Terminal Storage. Ethanol transactions between suppliers or position holders that occur within terminal storage should not be reported. These transactions are considered to be fuel exchanges or sales within the terminal system. Once this fuel is removed from terminal storage, the ethanol transaction must be reported.

The new schedule codes were incorporated into the [EDI Implementation Guide](#).

If you have any questions regarding this notice, please contact your Account Representative.