



**Revenue Ruling
No. 10-002
July 9, 2010
Fuel Tax**

**Deductions and Discounts Applicable to Amended Supplier/Permissive Supplier
Fuel Tax Returns**

Purpose

The purpose of this Revenue Ruling is to provide guidance concerning whether administrative discounts shall be allowed on the additional taxes paid on amended supplier/permissive supplier excise tax returns and payments that are submitted after the original filing deadlines for the returns. Currently, when a taxpayer files an amended supplier/permissive supplier return and remits additional taxes for the filing period, the administrative discount has been disallowed for all tax payments reported and paid for the filing period, including the payments which were made on the original return for that period. It has been the Department's position that the administrative discount was not to be allowed on any portion of the tax original or additional tax reported for the filing period in cases when an amended return was submitted after the original filing deadline increasing the tax liability for the period. This Revenue Ruling announces a change in the department's prior position on this matter.

Statement of Facts

A refinery company which processes and refines crude oil into specialty lubricating oils and other refined products, amended its original supplier/permissive supplier returns to report additional taxes due. Additional tax amounts over and above the tax amounts remitted with the original returns were paid at the time that the amended returns were submitted.

Issue

Whether administrative discounts should be allowed or denied on an amended return on an amended supplier/permissive supplier excise tax return?

Legal Analysis/Discussion:

Louisiana Revised Statute 47:818.22 provides as follows:

§ Deductions and discounts allowed

A. The supplier or permissive supplier that files a timely return and remits a timely payment may deduct from the amount of tax shown payable on the return an administrative discount in an amount equivalent to one and one-half percent of the tax due on gasoline and diesel fuels. The allowance shall not be deductible unless the supplier or permissive supplier allows a deduction of one percent to a purchaser with a valid distributor or importer license. However, the allowance shall not be deductible by the supplier or permissive supplier unless the return is filed and payment of the tax is made on or before the twenty-second day of the month as required by this Subpart.

B. A licensed distributor or importer that pays the tax due a supplier or permissive supplier by the date required in this Subpart shall be allowed to deduct from the amount due a discount of one percent of the amount of tax payable. The supplier or permissive supplier may not directly or indirectly deny this allowance to a licensed distributor or importer that pays the tax due the supplier or permissive supplier by the date specified.

The motor fuel tax imposed is payable when a return is due. As specified within the statute, a return is due on or before the 22nd day of each month. Such return must be filed with the Secretary and be in the form required by the Secretary. Any payment required is deemed timely, if received by the secretary by the 22nd day of the month as required by the Statute.

All motor fuel transactions must be reported on the tax return for the month or other filing period in which the transaction occurred or carried over to a return for a subsequent period. If, after filing a timely return, the supplier or permissive supplier discovers information that affects the original return, the supplier or permissive supplier must file an amended return for the affected period and must pay any tax, penalty, and interest due with the amended return. The statute above does not specifically provide whether previously deducted administrative discounts should be disallowed when an amended return is filed beyond the due date specified for the original return and an additional tax amount is remitted with the amended return. The statute does clearly provide that the taxpayer is entitled to the discount when a timely return is filed and payment is remitted timely. Suppliers and permissive suppliers who file a timely return and remit a timely payment of taxes are authorized deduct an administrative discount of one and one-half percent (1.5%) of the tax due on gasoline and diesel fuel. However, when an amended motor fuel return is filed after the original filing deadline and an additional payment is due, the administrative discount is disallowed for only the additional tax reported on the amended return.

Conclusion

When an amended motor fuel excise tax return is submitted reporting additional taxes due for the filing period, no administrative discount will be allowed on the additional taxes reported on the amended return. The filer of the amended return, however, will not be required to forfeit the discount applicable to the original filing for the period, provided that the original return and payment were timely submitted.

Cynthia Bridges
Secretary

A Revenue Ruling is issued under the authority of LAC 61III.101(C). A Revenue Ruling is written to provide guidance to the public and to Department of Revenue employees. It is a written statement issued to apply principles of law to a specific set of facts. A Revenue Ruling does not have the force and effect of law and is not binding on the public. It is a statement of the department's position and is binding on the department until superseded or modified by a subsequent change in statute, regulation, declaratory ruling, or court decision.