

# PETROLEUM PRODUCTS GROSS RECEIPTS TAX

## 4<sup>TH</sup> QUARTER 2016 TAX FORMS AND INSTRUCTIONS

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The New Jersey Legislature amended the Petroleum Products Gross Receipts Tax Act, effective November 1, 2016. These amendments increased the tax rate, added exemptions, and changed certain reporting requirements.

The rate increases took effect in the first month of the fourth quarter of calendar 2016. The Division has issued a return (Form PPT-40A) so filers can report tax based on the different rates in effect during this period. On Page 2 of PPT-40A, report fuel activity and taxes at the old tax rate for the month of October. Use Page 3 to report your activity for the months of November and December at the new rate. On Page 1, report the taxes due from pages 2 and 3. **The return is due on or before January 25, 2017.**

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### Page 1- Instructions

Line 1 – Enter the tax due for gallons reported on page 2, line 13, column A. This should only be for activity that occurred in October 2016 using the old tax rates.

Line 2 – Enter the tax due on consideration reported on page 2, line 13, column B. This should only be for activity that occurred in October 2016 using the old tax rates.

Line 3 – Total of lines 1 and 2.

Line 4 – Enter the tax due for gasoline reported on page 3, line 8c, column A. This should only be for activity that occurred in November and December 2016 using the new tax rates.

Line 5 – Enter the tax due for diesel and kerosene reported on page 3, line 8c, column B. This should only be for activity that occurred in November and December 2016 using the new tax rates.

Line 6 – Enter the tax due for fuel oil reported on page 3, line 8c, column C. This should only be for activity that occurred in November and December 2016 using the new tax rates.

Line 7 – Enter the tax due for aviation fuel (avfuel) reported on page 3, line 8c, column D. This should only be for activity that occurred in November and December 2016 using the new tax rates.

Line 8 – Enter the tax due for LPG reported on page 3, line 8c, column E. This should only be for activity that occurred in November and December 2016 using the new tax rates.

Line 9 – Enter the tax due for consideration reported on page 3, line 8c, column F. This should only be for activity that occurred in November and December of 2016 using the new tax rates.

Line 10 – Total of lines 4 through 9.

Line 11 – Total of lines 3 and 10.

Line 12 – Monthly payments made during the quarter from page 2, line 16.

Line 13 – Line 11 minus line 12.

Line 14 – Penalty and interest charges due for late filing or late payment.

Line 15 – Total amount due. If using EFT, provide EFT confirmation number.

## Page 2- Instructions – Activity occurring in October 2016 only

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Activity for the month of October 2016 should be reported on this page. This return reflects two columns labeled “GALLONS” and RECEIPTS/CONSIDERATION.” Information pertaining to a given transaction should be in either Column A or Column B, but not both.

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Line 1 – Enter the total sales of petroleum products to points in New Jersey from Schedule 1, Column A (gallons sold) or Column B (gross receipts). Include gallons and gross receipts that will be reflected on lines 2a through 2d (deductions and exemptions). DO NOT include gallons or values assigned to book transfers and exchange agreements (as defined in Meaning of Terms).

Line 2a – Sales for residential use from Schedule 2a.

Line 2b – Sales to governmental entities and exempt organizations from Schedule 2b.

Line 2c – Other exempt sales from Schedule 2c.

Line 2d – Sales to DP holders, exports, and tax paid purchases or other deductions from the tax base reported on Schedule 2d.

Line 3 – Total lines 2a through 2d.

Line 4 – Subtract line 3 from line 1.

Line 5 – Determine the dollar consideration of petroleum products imported for consumption within New Jersey on which tax has not been paid. If the dollar consideration is greater than \$5,000, enter the total number of gallons of fuel oils, aviation fuels and motor fuels in Column A, and the consideration for all other petroleum products in Column B.

Line 6 – Enter the dollar consideration or gallonage of petroleum products, included in line 5, which were subsequently withdrawn for use outside New Jersey.

Line 7 – Subtract line 6 from line 5.

Line 8 – Enter petroleum products consumed or deemed consumed by aircraft from Schedule A.

Line 9 – Add lines 4, 7 and 8.

Line 11 – Multiply line 9 by the applicable tax rate.

Line 12a – Enter the amount of additional tax due on transactions occurring during a prior period that have subsequently been identified as being taxable. Attach a rider that documents each transaction.

Line 12b – Enter the amount of tax paid to the purchaser where the initial sale of petroleum products occurred during a prior period upon which the receipts from the initial sale had been included in gross receipts. Attach a rider that documents each transaction.

Line 13 – Line 11 plus line 12A minus line 12B Column A. Enter this amount on line 1 page 1.

Line 14 – Line 11 plus line 12A minus line 12B column B. Enter this amount on line 2 page 1.

Line 15 (Neighborhood Revitalization Tax Credit) – Enter the total amount of Neighborhood Revitalization Tax Credit allowed pursuant to Chapter 415, P.L. 2001. The amount on line 15 should not exceed the amount reported on line 10, page 1. Attach a copy of the certificate to the return.

Line 16 – State and then total monthly remittances made during the quarter.

Line 17 – Total of line 15 and line 16.

### **Page 3- Instructions – Activity occurring in November and December 2016 only**

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This return reflects six columns five labeled for the product that is to be reported and the sixth column for the gross receipts or consideration. This includes the gallons for products such as gasoline and diesel fuel, and the dollar consideration for products such as motor oil and lubricants. If the dollar consideration of non-taxed imported petroleum products for the quarter is \$5,000 or less, enter -0- in the appropriate column. If the dollar consideration is greater than \$5,000, enter the total of gallons in the appropriate column A through E, or the consideration in Column F. Please make sure you report gallons where gallons are required and dollars where dollars are required. Consideration is always reported in dollars. Amounts are to be reported in one column only either as gallons in columns A through E or consideration in column F.

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Line 1a – Report all purchases made during the month in which the tax was not charged by the supplier. Schedule 1a.

Line 1b. – Report all purchases made during the month in which the tax was charged by the supplier. Schedule 1b.

Line 2 – Report all sales made in New Jersey during the month.

Line 3a – Report all sales made to customers holding a Direct Payment Permit. Schedule 3a.

Line 3b – Report all sales made to governmental and exempt entities. Schedule 3b.

Line 3c – Report all exports. Schedule 3c.

Line 3d – Report all other exempt sales. Schedule 3d.

Line 4 – Total all deductions reported on line 3a through line 3d.

Line 5 – Line 2 minus line 4. Schedule 5.

Line 6 – Report all purchases imported for your own use. Schedule 6.

Line 7a – Report all aviation fuel purchased for your own use. Schedule 7a.

Line 7b – Report the amount of aviation fuel that is taxable. Schedule 7b

Line 8a – Add lines 5, 6, and 7b.

Line 8b – The applicable tax rate.

Line 8c – Multiply line 8a by line 8b and enter the amount on page 1.