



Instructions for Form PT-350

Petroleum Business Tax Return for Fuel Consumption — Commercial Vessels

Who must file

Operators of commercial vessels (tugboats, towboats, etc.) using motor fuel (gasoline) or diesel motor fuel in their vessels for consumption in New York State territorial waters must file this report as required under Tax Law Article 13-A.

Where vessels are under a **charter agreement**, the terms of the agreement will determine whether the owner (lessor) or charterer (lessee) must file the tax return. Where the lessee has a significant degree of control over the vessel during the agreement period including the ability and obligation to purchase fuel for the vessel's operation, the lessee qualifies as the petroleum business and must file the tax return.

Note: Commercial fishermen who purchase motor fuel (gasoline) or diesel motor fuel at retail may obtain a reimbursement (refund) of the taxes paid on that fuel. For this reimbursement, the fuel must be for use in the operation of commercial fishing vessels engaged in the harvesting of fish for sale. Commercial fishermen may obtain a reimbursement of the excise tax, the state and local sales tax, and the petroleum business tax paid on the fuel by filing Form AU-631, *Claim for Refund/Reimbursement of Taxes Paid on Fuel Used in a Vessel Engaged in Commercial Fishing*. **Commercial fishermen should not complete Form PT-350 for such purchases.**

When to file

Form PT-350 is filed on a monthly basis for any month during which any portion of purchases of motor fuel or diesel motor fuel are used in commercial vessels operating in New York State territorial waters. Returns must be filed no later than the 20th day of the following month. Returns filed after the due date are subject to penalty and interest charges. **No monthly return is required if business was not conducted in New York State territorial waters during a particular month.** Returns can be requested through Internet access, fax-on-demand, or by calling one of the telephone assistance numbers listed in the *Need help?* section on the back. Use this form for the period January 1, 2007, through December 31, 2007.

General information

The Tax Department may require sales invoices, delivery tickets, or monthly statements signed by the dealer and showing the name and address of the dealer, name and address of the claimant, date of purchase, number of gallons, the type of fuel purchased, and the tax that was included in the purchase price. In addition, the department may require additional information as the Commissioner of Taxation and Finance deems appropriate.

Taxpayer information section

Enter the month for which you are filing, legal name, federal employer identification number (EIN) (or, if not applicable, your social security number (SSN)), DBA (if different from the legal name), address of the business, and business telephone number.

Line instructions

Tugboat operations

Instead of using lines 1 through 7 to compute tax due using working days, the tax due of tugboats and towboats may be determined using Schedule A. For operations outside the zones listed on Schedule A on the back, contact the Tax Department (see *Need help?* on the back).

Commercial vessels, other than tug boats or tow boats, are required to use lines 1 through 7 to compute the tax.

Line 1 — Enter in columns A and B the total number of working days of vessels, using the working days method, in New York State territorial waters during the calendar month covered by this return. If none, enter **0** in the appropriate column. *Working days* means days during which a vessel is sufficiently manned for the transportation of persons or cargo or when cargo is aboard, exclusive of dry dock days. Time is computed in hours and minutes, totaled for all vessels, and converted to 24-hour days. Passenger commuter ferry operators should **not include** on line 1, column B, working days (converted from hours and minutes) in which they were providing mass transportation services in New York State territorial waters.

Note: A passenger commuter ferry is providing mass transportation services when those services are recognized as such by:

- the state of New York, or any of its agencies, instrumentalities, public corporations (including a public corporation created pursuant to agreement or compact with another state or Canada), or political subdivisions;
- the United States and any of its agencies and instrumentalities; or
- the Tax Department based on industry or regulatory practice.

Line 2 — In columns A and B, enter the total number of working days of vessels, using the working days method, at all locations (both in and out of New York State territorial waters) during the calendar month covered by the return. Passenger commuter ferries should also include on line 2, columns A and B, working days (converted from hours and minutes) in which the operator was providing mass transportation services in New York State.

Line 3 — Compute the working days ratio in each column by dividing the amount shown on line 1 by the amount shown on line 2, and enter the result.

Line 4 — Enter in column A the total number of gallons of motor fuel purchased for use or consumption in vessels at all locations during the month covered by the return; enter in column B the total number of gallons of diesel motor fuel purchased for use or consumption in vessels at all locations during the month covered by the return. Only include gallons used by vessels computing tax under the working days method.

Line 5 — Compute the gallons of fuel used in New York State in both columns A and B by multiplying the working days ratio on line 3 by the number of gallons shown on line 4 and enter the result.

Line 6 — The rates of the petroleum business tax for motor fuel and the automotive rate for diesel motor fuel are preprinted on line 6. For more information, see Publication 908, *Fuel Tax Rates (Articles 12-A and 13-A of the Tax Law)*.

Line 8 — Enter *Total tax* from Schedule A (see *Schedule A — Computation of tax for tugboat and towboat operators*) if applicable. Otherwise enter **0**.

Line 10 — Enter in column A the total number of gallons of motor fuel purchased in New York State for use in vessels for which you can substantiate that the petroleum business tax was paid at the time of purchase. Enter in column B the total number of gallons of diesel motor fuel purchased in New York State for use in vessels for which you can substantiate that the petroleum business tax was paid at the time of purchase.

Line 11 — Compute the amount of tax paid on motor fuel by multiplying the number of gallons shown on line 10, column A, by the tax rate on line 6, column A, and enter the result in column A; compute the amount of tax paid on diesel motor fuel by multiplying the number of gallons shown on line 10, column B, by the tax rate on line 6, column B, and enter the result in column B. Total the amounts on line 11, columns A and B, and enter in column C.

Line 13 — Enter the amount of available credit from prior month's tax returns. Attach copies of the returns. A credit can only be used or carried for a period of three years from the date the fuel was purchased.

Line 14 — Compute the tax due/overpayment after credits. If there is a tax due on line 12, subtract line 13 from line 12. If the result is an overpayment, enter the amount on line 18. If there is an overpayment on line 12, add lines 12 and 13. Enter the result on line 18.

Line 15 — A penalty is imposed at the rate of 10% of the tax due for the first month or part of a month and 1% of the tax due for each subsequent month or part of a month in which the tax remains unpaid, up to a maximum penalty of 30%.

If a return is not filed within 60 days of the due date, the penalty will be determined as indicated above but will not be less than the lesser of \$100 or 100% of the tax due. In addition, failure to file returns and pay any tax due may result in criminal penalties under Tax Law Article 37.

The penalty for failure to file applies only for those months in which you were required to file returns and pay any consumption tax due.

Line 16 — Interest is computed at the rate set by the Commissioner of Taxation and Finance and is compounded daily. It is computed from the day the tax was due until the date the tax is paid. Interest is a charge for the use of state funds and may not be waived. If you need help computing interest, see *Need help?* below.

Line 17 — Total the amounts shown on lines 14, 15, and 16. Attach a check or money order payable to **Commissioner of Taxation and Finance** for the total amount due on line 17. Enter this amount on line 17 and in the remittance box on the front of the return.

Line 18 — If line 14 is an overpayment, enter the line 14 amount on line 18.

Line 19 — Enter the amount to be credited to next month's consumption return (or the next filed return if you have no fuel consumption next month in New York State). A credit can only be used or carried for a period of three years from the date the fuel was purchased.

Line 20 — Compute the amount to be refunded by subtracting the amount on line 19 from the amount on line 18 and enter the result. A request for a refund must be made within three years from the date the fuel was purchased.

Schedule A — Computation of tax for tugboat and towboat operators

Enter the legal name, EIN or SSN, and month covered by this schedule.

Enter the number of trips in column D for each zone (column A) and tugboat class (column B). Multiply the column D amount by the column C amount to determine the column E amount. Add the column E amounts to determine total tax and enter that amount on the *Total tax* line and on line 8, column C.

Mail to: **NYS TAX DEPARTMENT**
PO BOX 1833
ALBANY NY 12201-1833

Private delivery services

If you choose, you may use a private delivery service, instead of the U.S. Postal Service, to mail in your return and tax payment. However, if, at a later date, you need to establish the date you filed your return or paid your tax, you cannot use the date recorded by a private delivery service **unless** you used a delivery service that has been designated by the U.S. Secretary of the Treasury or the Commissioner of Taxation and Finance. (Currently designated delivery services are listed in Publication 55, *Designated Private Delivery Services*. See *Need help?* below for information on obtaining forms and publications.) If you have used a designated private delivery service and need to establish the date you filed your return, contact that private delivery service for instructions on how to obtain written proof of the date your return was given to the delivery service for delivery. If you use any private delivery service, whether it is a designated service or not, send Form PT-350 to: NYS Tax Department, Misc. Tax Insourcing Unit, W A Harriman Campus, Albany NY 12227

Certification

The return must be signed and dated by the owner (if an individual); a partner (if a partnership); or by the president, treasurer, chief accounting officer, or any other person authorized to act on behalf of the corporation (if a corporation). The fact that an individual's name is signed on the certification shall be prima facie evidence that the individual is authorized to sign and certify the report on behalf of the business.

Privacy notification

The Commissioner of Taxation and Finance may collect and maintain personal information pursuant to the New York State Tax Law, including but not limited to, sections 5-a, 171, 171-a, 287, 308, 429, 475, 505, 697, 1096, 1142, and 1415 of that Law; and may require disclosure of social security numbers pursuant to 42 USC 405(c)(2)(C)(i).

This information will be used to determine and administer tax liabilities and, when authorized by law, for certain tax offset and exchange of tax information programs as well as for any other lawful purpose.

Information concerning quarterly wages paid to employees is provided to certain state agencies for purposes of fraud prevention, support enforcement, evaluation of the effectiveness of certain employment and training programs and other purposes authorized by law.

Failure to provide the required information may subject you to civil or criminal penalties, or both, under the Tax Law.

This information is maintained by the Director of Records Management and Data Entry, NYS Tax Department, W A Harriman Campus, Albany NY 12227; telephone 1 800 225-5829. From areas outside the United States and outside Canada, call (518) 485-6800.

Need help?



Internet access: www.nystax.gov
(for information, forms, and publications)



Fax-on-demand forms: 1 800 748-3676



Telephone assistance is available from 8:00 A.M. to 5:00 P.M. (eastern time), Monday through Friday.

To order forms and publications: 1 800 462-8100

Business Tax Information Center: 1 800 972-1233

From areas outside the U.S. and outside Canada: (518) 485-6800

Hearing and speech impaired (telecommunications device for the deaf (TDD) callers only): 1 800 634-2110



Persons with disabilities: In compliance with the Americans with Disabilities Act, we will ensure that our lobbies, offices, meeting rooms, and other facilities are accessible to persons with disabilities. If you have questions about special accommodations for persons with disabilities, please call 1 800 972-1233.