



Instructions for Form PT-350

Petroleum Business Tax Return for Fuel Consumption – Commercial Vessels

Mandate to use Petroleum Business Tax Web File

Beginning with your September 2018 return, due October 22, 2018, you must Web File using your Business Online Services account if you meet all three of the following conditions:

- prepare tax documents yourself without the assistance of a tax professional;
- use a computer to prepare, document, or calculate the required filings; and
- have broadband internet access.

Create an Online Services account by visiting our website (see *Need help?*).

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 (NYS) territorial waters must file this return 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 to obtain such reimbursement.**

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 NYS 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 NYS territorial waters during a particular month.** You can get these forms from our website or by phone (see *Need help?*).

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, 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 and towboat 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 of the return, contact the Tax Department (see *Need help?*).

Commercial vessels, other than tugboats or towboats, 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 NYS 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 NYS territorial waters.

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

- NYS, 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 NYS.

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 NYS 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 highway 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 NYS 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 NYS 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 petroleum business tax rate shown on your invoice at the time of your purchase(s), 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 petroleum business tax rate shown on your invoice at the time of your purchase(s), and enter the result in column B. Total the amounts on line 11, columns A and B, and enter in column C. If the petroleum business tax rate is not shown on your invoice(s), refer to Publication 908 for the tax rate in effect at the time of your purchase(s).

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?*

Line 17 – Total the amounts shown on lines 14, 15, and 16. Attach a check or money order payable in U.S. funds 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.

Fee for payments returned by banks – The law allows the Tax Department to charge a \$50 fee when a check, money order, or electronic payment is returned by a bank for nonpayment. However, if an electronic payment is returned as a result of an error by the bank or the department, the department won't charge the fee. If your payment is returned, we will send a separate bill for \$50 for each return or other tax document associated with the return payment.

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 NYS). 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.

For each zone and tugboat or towboat class, enter the number of trips in column D. Multiply the number of trips (column D) by the tax per trip (column C) to determine the appropriate tax (column E). Add the column E amounts to determine the total tax and enter that amount on the *Total tax* line and on line 8, column C.

Where to file

Mail completed return and remittance to: **NYS TAX DEPARTMENT
PO BOX 15197
ALBANY NY 12212-5197**

Private delivery services – See Publication 55, *Designated Private Delivery Services*.

Third-party designee

If you want to authorize another person (third-party designee) to discuss this tax return with the New York State Tax Department, mark an **X** in the *Yes* box in the *Third-party designee* area of your return. Also **print** the designee's name, phone number, and any five-digit number the designee chooses as his or her personal identification number (PIN). If you want to authorize the paid preparer who signed your return to discuss the return with the Tax Department, **print** the preparer's name in the space for the designee's name and enter the preparer's phone number in the space for the designee's phone number. You do not have to provide the other information requested. If you do not want to authorize another person, mark an **X** in the *No* box.

If you mark the *Yes* box, you are authorizing the Tax Department to discuss with the designee any questions that may arise during the processing of your return. You are also authorizing the designee to:

- give the Tax Department any information that is missing from your return;
- call the Tax Department for information about the processing of your return or the status of your refund or payment(s); and

- respond to certain Tax Department notices that you shared with the designee about math errors, offsets, and return preparation. The notices will not be sent to the designee.

You are not authorizing the designee to receive your refund, bind you to anything (including any additional tax liability), or otherwise represent you before the Tax Department. If you want the designee to perform those services for you, you must file Form POA-1, *Power of Attorney*, making that designation with the Tax Department. Copies of statutory tax notices or documents (such as a *Notice of Deficiency*) will only be sent to your designee if you file Form POA-1.

You cannot change the PIN. The authorization will automatically end on the due date (without regard to extensions) for filing your next year's tax return.

Paid preparer's responsibilities

Under the law, all paid preparers must sign and complete the paid preparer section of the form. Paid preparers may be subject to civil and/or criminal sanctions if they fail to complete this section in full.

When completing this section, enter your New York tax preparer registration identification number (NYTPRIN) if you are required to have one. Also, you must enter your federal preparer tax identification number (PTIN) if you have one; if not, you must enter your Social Security number.

See our website for more information about the tax preparer registration requirements.

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 return on behalf of the business.

Privacy notification

New York State Law requires all government agencies that maintain a system of records to provide notification of the legal authority for any request for personal information, the principal purpose(s) for which the information is to be collected, and where it will be maintained. To view this information, visit our website, or, if you do not have Internet access, call and request Publication 54, *Privacy Notification*. See *Need help?* for the Web address and telephone number.

Need help?



Visit our website at **www.tax.ny.gov**

- get information and manage your taxes online
- check for new online services and features

Telephone assistance

Miscellaneous Tax Information Center:	518-457-5735
To order forms and publications:	518-457-5431
Text Telephone (TTY) or TDD equipment users	Dial 7-1-1 for the New York Relay Service