

Heavy Vehicle Use Tax Return

For the taxable year July 1, 1997, through June 30, 1998

Keep a copy of this return for your records.

▶ Attach both copies of Schedule 1 to this return.

Please Type or Print	Name	Employer identification number	FOR IRS USE ONLY	
	Address (number, street, and room or suite no.)			T
	City, state, and ZIP code (province or state, postal code, and country)			FF
			FP	
			I	
			T	

Enter the month during the taxable year **July 1, 1997, through June 30, 1998**, in which the vehicles reported on this return were first used on public highways ▶

1	Total tax on vehicles reported on this return. Enter the total amount from column (4), categories A through V on page 2	
2	Additional tax from increase in taxable gross weight. See the instructions for line 2 on page 7	
3	Adjustments. See the instructions for line 3 on page 7. Attach statement	
4	Tax as adjusted. Line 1 plus line 2 minus line 3. Pay in full with this return if you are not paying in installments. See How To Pay the Tax on page 4	
5	Installment amount due. You may choose the installment privilege only if your return is filed when due and the vehicle was first used between July and March. See instructions on page 4	

Statement in Support of Suspension of Tax (Complete the statements that apply.)

- 6 I declare that the vehicles listed below are expected to be used on public highways
 5,000 miles or less 7,500 miles or less for agricultural vehicles
 during the taxable year July 1, 1997, through June 30, 1998. Also complete and attach Schedule 1, Part II.
 Vehicle identification numbers (Attach a separate list if more space is needed.)
- 7 I declare that EACH vehicle listed as exempt from the tax on Form 2290 filed for the **last** tax period was not used more than 5,000 miles (7,500 for agricultural vehicles) and therefore is not subject to the use tax for that period. **Check this box.**
- 8 I declare that vehicle identification numbers were listed as eligible for the suspension on a prior return. These vehicles were transferred to on, 19 .. . At the time of the transfer, the vehicles were still eligible for the suspension of the tax. (Attach a separate list if more space is needed.)

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and, to the best of my knowledge and belief, they are true, correct, and complete.

Signature ▶ Title (Owner, etc.) ▶ Date ▶

(Please type or print name below signature.) Telephone number ()

For Paperwork Reduction Act Notice, see instructions on page 3. Cat. No. 112500 Form **2290** (Rev. 7-97)

DETACH HERE

Payment Voucher

See the **Voucher Instructions** on page 8.

▶ Do not staple or attach this voucher or your payment to your return.

1 Enter the amount of the payment you are making ▶ \$	2 Enter the first four letters of your business name	3 Enter your employer identification number
4 Enter taxable year (YY and MM—see instructions)	5 Enter your business name Enter your address Enter your city, state, and ZIP code	

Send Form 2290, this voucher, and payment to:
 Internal Revenue Service
 P.O. Box 6229
 Chicago, IL 60680-6229

Tax Computation

Category	If the taxable gross weight of your vehicle is listed in one of the categories shown below, you are required to file this return. The rate in column (1) is based on the taxable gross weight. (See page 5.)	(1) Annual rate (for vehicles used during July)		(2) Rate of tax if vehicles were first used after July (See the tables on page 8.)		(3) Number of vehicles		(4) Amount of tax (col. (1) or (2) times col. (3))
		(a) Vehicles Except Logging or Canadian/Mexican*	(b) Logging or Canadian/Mexican* Vehicles	(a) Vehicles Except Logging or Canadian/Mexican*	(b) Logging or Canadian/Mexican* Vehicles	(a) Vehicles Except Logging or Canadian/Mexican*	(b) Logging or Canadian/Mexican* Vehicles	
A	Taxable Gross Weight (in pounds) 55,000	\$100.00	\$75.00					
B	55,001 – 56,000	122.00	91.50					
C	56,001 – 57,000	144.00	108.00					
D	57,001 – 58,000	166.00	124.50					
E	58,001 – 59,000	188.00	141.00					
F	59,001 – 60,000	210.00	157.50					
G	60,001 – 61,000	232.00	174.00					
H	61,001 – 62,000	254.00	190.50					
I	62,001 – 63,000	276.00	207.00					
J	63,001 – 64,000	298.00	223.50					
K	64,001 – 65,000	320.00	240.00					
L	65,001 – 66,000	342.00	256.50					
M	66,001 – 67,000	364.00	273.00					
N	67,001 – 68,000	386.00	289.50					
O	68,001 – 69,000	408.00	306.00					
P	69,001 – 70,000	430.00	322.50					
Q	70,001 – 71,000	452.00	339.00					
R	71,001 – 72,000	474.00	355.50					
S	72,001 – 73,000	496.00	372.00					
T	73,001 – 74,000	518.00	388.50					
U	74,001 – 75,000	540.00	405.00					
V	Over 75,000	550.00	412.50					
W	Tax-Suspended Vehicles (See Suspended Vehicles on page 6.)							

Total tax on vehicles reported on this return. (Add column (4), categories A through V.) Enter here and on line 1, page 1

Complete Schedule 1 (Form 2290) on page 10 and attach it to Form 2290.

* See instructions on page 5 for information on logging and Canadian/Mexican vehicles.

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Form 2290 and Schedule 1 will vary depending on individual circumstances. The estimated average time is:

Recordkeeping, 39 hr., 13 min.; **Learning about the law or the form**, 18 min.; **Preparing, copying, and sending the form to the IRS**, 57 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the tax form to this address. Instead, see **Where To File** on page 4.

Purpose of Form

One source of funds for the national highway construction program is the Federal highway use tax on heavy motor vehicles that are used on public highways. You may be liable for this tax if a taxable highway motor vehicle is registered in your name.

The tax applies to highway motor vehicles having taxable gross weights of 55,000 pounds or more. This includes trucks, truck tractors, and buses. Generally, vans, pickup trucks, panel trucks, and similar trucks are not subject to this tax.

Use Form 2290 to figure and pay the tax due on heavy vehicles used on public highways. See **Tax Computation** on page 7. Also use this form to claim exemption from the tax when such vehicles are expected to be used on public highways 5,000 miles or less (7,500 miles or less for agricultural vehicles). You must show proof of payment of this tax to register your vehicle in any state. Use Schedule 1 for this purpose.

The **Form 2290-V**, Payment Voucher, is for correctly crediting your heavy vehicle use tax payment to your account. You may receive a preprinted Form 2290 and Form 2290-V with your name, address, and employer identification number (EIN) on it. Use the preprinted payment voucher to

make your heavy vehicle use tax payment for the year (or your first installment payment). This will speed processing, reduce processing costs, and reduce the chance of errors. If you use a third party preparer, provide the Form 2290 and the payment voucher to the return preparer. See **How To Pay the Tax** on page 4.

Who Must File

You must file Form 2290 and Schedule 1 if a taxable highway motor vehicle is registered, or required to be registered, in your name under state, District of Columbia, Canadian, or Mexican law at the time of its first taxable use or when you claim exemption under the suspension of tax liability rules. The term "taxable use" refers to operating the vehicle with power from its own motor on any public highway in the United States. You must also file a return when the taxable gross weight of a vehicle increases during the taxable year. See **Determining Taxable Gross Weight** on page 5.

You may be an individual, corporation, partnership, or any other type of organization (including nonprofit, charitable, educational, etc.).

If the person liable for the tax at the time of the first taxable use paid the tax and later sold the vehicle, the new owner does not have to pay the tax for the same tax period. However, if the former owner did not pay the tax, the new owner is liable for the full tax if he or she puts the vehicle to a taxable use in the taxable year. Proof of payment of tax is a copy of Schedule 1, Form 2290, stamped by the IRS.

If you file Form 2290 and complete the suspension statement and later find that your vehicle exceeded the mileage use limit, you must file another Form 2290. See **Suspended Vehicles** on page 6.

Foreign Persons

Foreign persons are liable for this tax if they are required to register vehicles in any of the states, the District of Columbia, Canada, or Mexico.

Dual Ownership

If a taxable vehicle is registered in the name of both the owner and another person, the owner is liable for the tax. This also applies to dual registration of a leased vehicle.

Dealers

Any vehicle operated under a dealer's tag, license, or permit is considered registered in the name of the dealer.

Exemptions

To be exempt from the highway use tax, a truck, truck tractor, or bus must be used **and** actually operated by:

- The Federal Government,
- Any state,
- The District of Columbia,
- Any local government,
- The American National Red Cross,

- Nonprofit volunteer fire departments, ambulance associations, and rescue squads.

The exemption applies to vehicles operated by:

1. An Indian tribal government but only if the vehicle's use involves the exercise of an essential tribal government function.
2. A mass transportation authority if it is created under a statute that gives it certain powers normally exercised by the state.
3. A state or local government even if used in an activity usually carried on by private business.

Example. Trucks used by a city to collect trash from an industrial company's premises under a contract awarded in competitive bidding from the company are not subject to the tax.

Not exempt. This exemption does not apply to:

1. Owner-operated school buses used only to transport students to and from school under a contract with a board of education.
2. Vehicles driven and maintained by a taxpayer under a United States mail contract.
3. Government-owned vehicles driven and maintained by a company doing research and development under a government contract.
4. Government-owned vehicles furnished to and operated by contractors in connection with government-operated plants. However, they are not subject to the highway use tax if the vehicles are neither registered nor required to be registered in any state.

Employer Identification Number (EIN)

If the preprinted EIN on the form is wrong or you did not receive a form with preprinted information, enter the correct number. If you do not have an EIN, get **Form SS-4**, Application for Employer Identification Number, to apply for one. Form SS-4 has information on how to apply for an EIN by mail or by telephone.

When To File

You must file a return by the last day of the month following the month of the vehicle's first taxable use in the taxable year, even if you are filing the return just to suspend the tax for any vehicle. The taxable year begins on July 1 and ends the following June 30. You must pay the full year's tax on all vehicles that you have in use during the month of July. You must also pay a partial-year tax on taxable vehicles that you put into use in a month after July.

For example, when the taxable year begins each July, you must report the tax on all vehicles in use in July on a return filed by August 31. If you begin to use another vehicle in October, you must file an additional return by November 30. If any due date falls on a Saturday, Sunday, or legal holiday, file on the next business day.

Where To File

Send your return to the **Internal Revenue Service** at the address listed. No street address is needed.

Return without payment: Cincinnati, OH 45999-0031
Return with payment: P.O. Box 6229
 Chicago, IL 60680-6229

Exception.—For later installment payments, see **How To Pay the Installments** on this page.

Recordkeeping

You must keep records for all taxable highway vehicles registered in your name. Records must be kept for at least 3 years after the date the tax is due or paid, whichever is later. They must be available at all times for inspection by the IRS. You should also keep copies of all returns and schedules you have filed. Keep your records even if a vehicle is registered in your name for only a portion of a taxable year. If a highway motor vehicle is exempt from tax for a taxable year because its use on public highways during the year did not exceed 5,000 miles (7,500 miles for agricultural vehicles), the owner must keep the records at least 3 years after the end of the taxable year to which the exemption applies.

Records for each vehicle should show:

1. A description of the vehicle (including serial number or other manufacturer's number) in enough detail to give a positive identification of the vehicle.
2. The weight of loads carried by the vehicle in the same form as required by any state in which the vehicle is registered or required to be registered.
3. The date you acquired the vehicle and the name and address of the person from whom you acquired it.
4. The first month of each taxable year in which a taxable use occurred and any prior month in which the vehicle was used in this taxable year while registered in your name, with proof that the prior use was not a taxable use.
5. The date of sale or other transfer of the vehicle and the name and address of the person to whom transferred. If it was not sold or transferred, the records must show how and when you disposed of it.
6. If the tax is suspended for a vehicle (see **Suspended Vehicles** on page 6) used on public highways 5,000 miles or less (7,500 miles or less for an agricultural vehicle), keep a record of actual highway mileage. If the tax is suspended for an agricultural vehicle, you should also keep accurate records of the number of miles it is driven on a farm since mileage on the farm is not counted toward the 7,500-mile limit.

How To Pay The Tax

You may pay the tax in a single payment with your return or in as many as four equal installments. You may not use the installment method for a vehicle with the first taxable use in April, May, or June. See the instructions below if you choose to pay in installments. Complete the **Form**

2290-V, Payment Voucher, for your payment in full or for the first installment payment. Make your check or money order payable to the Internal Revenue Service.

Caution: DO NOT use EFTPS to make your payment. If you do, you will not get your stamped copy of Schedule 1 returned to you. See Schedule 1 on page 7.

Dates Installments Are Due

You must always pay the first installment when you file the return, that is, by the last day of the month following the month of the vehicle's first taxable use in the taxable year. The later installments are due December 31, March 31, and June 30. The month in which you first owed the tax determines how many installments you pay. For example, if your first taxable use is in August, you will pay four installments due by September 30, December 31, March 31, and June 30. If your first taxable use is in December, you will pay three installments due by January 31, March 31, and June 30. Fill in the **Record of Installment Payments** for your records.

How To Figure Installments

To figure out how much to pay in each installment, use the following rules. If the first use of the vehicle is in:

1. July, August, or September, enter ¼ of line 4;
2. October, November, or December, enter ⅓ of line 4;
3. January, February, or March, enter ½ of line 4.

How To Pay the Installments

After the first installment, the IRS will send you a notice of each installment before it is due. **Return your installment payment with that notice.** Make your check payable to Internal Revenue Service. Be sure to include your name, address, EIN, type of tax (Form 2290), and the taxable year (9707).

If you do not get a notice for the 2nd, 3rd, and 4th installment payments, make your payment by sending your check with the required information written on it. You **do not** need a Form 2290-V, Payment Voucher.

Mail your payment to the **Internal Revenue Service Center, Cincinnati, OH 45999-0031.**

Caution: Do not prepare a new Form 2290 or send a copy of the original Form 2290 you filed.

If you choose to pay in installments on a vehicle and later within the same taxable year you sell it, you are still liable for the full tax and must pay any remaining installments for the taxable year.

Late Payments

You may pay any installment BEFORE it is due. But if you pay an installment late, the whole amount of the unpaid tax becomes due. It is payable upon notice and demand from the IRS.

Extension of Time To File and Pay

You may request an extension of time to file a return and pay the tax. Explain the cause of the delay fully and send your letter to the Director of the Internal Revenue Service Center, Cincinnati, OH 45999-0031.

Penalties and Interest

The law provides penalties for failing to keep adequate records, file returns, or pay taxes when due. There are also penalties for late filing and for filing false or fraudulent returns. These penalties are in addition to the interest charge on late payments.

Examination and Appeal Procedures

If your excise tax return is examined and you disagree with the findings, you can get information on audit and appeal procedures from **Pub. 556**, Examination of Returns, Appeal Rights, and Claims for Refund. However, an unagreed highway use tax case can only be contested after payment of the tax by filing a suit for a refund in the United States District Court or the United States Court of Federal Claims.

Final Return

If you have gone out of business or you no longer have a taxable vehicle in service, you need to file a final return. Write "FINAL" on the top of Form 2290, sign the return, and mail it to the IRS. After receiving the final return, the IRS will stop mailing Form 2290 to you.

Other Information

Vehicles Subject to the Tax

Highway motor vehicles (including buses) that have a taxable gross weight of 55,000 pounds or more are taxable.

A highway motor vehicle includes any self-propelled vehicle designed to carry a load over public highways, whether or not also designed to perform other functions.

A vehicle consists of a chassis, or a chassis and body, but does not include the load. It does not matter if the vehicle is designed to perform a highway transportation function for only a particular type of load, such as passengers,

Record of Installment Payments (see above for payment due dates)

Payment number	(a) Date	(b) Check or money order number	(c) Amount paid	(d) Cumulative Total Paid (add amounts in col. (c) through the applicable line)
1				
2				
3				
4				

furnishings, and personal effects (as in a house, office, or utility trailer), or a special kind of cargo, goods, supplies, or materials. It does not matter if machinery or equipment is specially designed (and permanently mounted) to perform some off-highway task unrelated to highway transportation except to the extent discussed in the next paragraph. Examples of vehicles that are designed to carry a load over public highways include buses, load over public highways include buses, highway-type trucks, and truck tractors.

A **public highway** is any road in the United States that is not a private roadway. This includes Federal, state, county, and city roads.

Vehicles not considered highway vehicles.—Generally, the following kinds of vehicles are not considered highway vehicles.

1. Specially designed mobile machinery for nontransportation functions. A self-propelled vehicle is not a highway vehicle if it consists of a chassis that:

a. Has permanently mounted to it machinery or equipment used to perform certain operations (construction, manufacturing, drilling, mining, timbering, processing, farming, or operations similar to any of these) if the operation of the machinery or equipment is unrelated to transportation on or off the public highways,

b. Has been specially designed to serve only as a mobile carriage and mount for the machinery or equipment, whether or not the machinery or equipment is in operation, and

c. Because of its special design, could not, without substantial structural modification, be used as part of a vehicle designed to carry any other load.

2. Vehicles designed for off-highway transportation. A self-propelled vehicle is not a highway vehicle if:

a. The vehicle is designed primarily to carry a specific kind of load (other than over the public highway) for certain operations (construction, manufacturing, mining, processing, farming, drilling, timbering, or similar operations), and

b. The vehicle's design to carry this load substantially limits or impairs its use over public highways. To determine if the vehicle use is substantially limited or impaired, you may take into account whether the vehicle may travel at regular highway speeds, requires a special permit for highway use, is overweight, or is too tall or too wide for regular highway use.

However, for purposes of item 2b, equipment that is attached to your vehicle and used for loading, unloading, storing, vending, or handling are uses associated with moving the load over public highways even though the equipment may be used off highway. For instance, vacuum loaders do not meet the exception in item 2b. The large collector bodies that are mounted on the chassis are designed to not only retrieve waste from clean-up sites but also carry the cargo from the clean-up site on and off the public highways to the cargo's disposal site.

3. Trailers and semitrailers designed for nontransportation functions off the public highways. A trailer or semitrailer is not a highway vehicle if it is designed only as an enclosed stationary shelter for conducting a function at the off-highway site of construction, manufacturing, mining, processing, farming, drilling, timbering, or similar operations. For example, a trailer specially designed to be used as an office at a construction site is not a highway vehicle.

Determining Taxable Gross Weight

Generally, the taxable gross weight of a vehicle is the total of the unloaded weight of the vehicle and the weight of the maximum load usually carried on the vehicle. However, the weight declared for registering a vehicle in a state or states will affect the taxable gross weight used to figure the tax. Some states register vehicles by specific gross weight, some by gross weight declared in a category, and others by unloaded weight.

Registration By Specific Gross Weight

If the vehicle is registered in any state that requires a declaration of gross weight in a specific amount, including proportional or prorated registration or payment of any other fees or taxes, its taxable gross weight must be no less than the highest gross weight declared for the vehicle in any state. If the vehicle is a tractor-trailer, the taxable gross weight must be no less than the highest combined gross weight declared.

Registration By Gross Weight Category

If the vehicle is registered in any state that requires vehicles to be registered on the basis of gross weight, and the vehicle is not registered in any state that requires a declaration of specific gross weight as explained above, its taxable gross weight must fall within the highest gross weight category for the vehicle in that state.

Registration By Unloaded Weight

If the vehicle is registered only in a state or states that base registration on unloaded weight, the taxable gross weight is the total of the following:

1. The actual unloaded weight of the vehicle fully equipped for service;
2. The actual unloaded weight of any trailers or semitrailers (fully equipped for service) customarily used with the vehicle; and
3. The weight of the maximum load customarily carried on the vehicle and on any trailers or semitrailers used with it.

The actual unloaded weight of a highway motor vehicle means the empty (tare) weight of the vehicle fully equipped for service. It includes the weight of:

- The vehicle,
- The body (including any insulation),
- All accessories,
- All equipment attached to or carried on the vehicle for use in its operation or maintenance, and

- A full supply of lubricants, fuel, and water.

The actual unloaded weight **does not** include the weight of:

- The driver,
- Any equipment mounted on or attached to the vehicle that is not part of the body and that performs no function in the operation or maintenance of the vehicle, but is used only to load, unload, protect, or preserve the cargo, or
- Any special equipment mounted on the vehicle for use on construction jobs, in oilfield operations, etc.

Buses

The taxable gross weight of a bus is its actual unloaded weight plus 150 pounds for each seat provided for passengers and driver. The same rules that apply to trucks and truck tractors apply to buses, except for figuring taxable gross weight. See Regulations section 41.4483-2 for more details.

Special Permits

In determining a vehicle's taxable gross weight, do not consider weights declared to obtain special temporary travel permits. These are permits that allow a vehicle to (a) operate in a state in which it is not registered, (b) operate at more than a state's maximum weight limit, or (c) operate at more than the weight at which it is registered in the state. However, special temporary travel permits do not include permits that are issued for your vehicle if the total amount of time covered by those permits is more than 60 days or (if issued on a monthly basis) more than 2 months during a taxable year.

Reduced Tax Rate for Certain Vehicles

The tax rate is reduced by 25% for logging and Canadian/Mexican vehicles. See the **Tax Computation** on page 2 (Form 2290) for the tax rates for these vehicles; for a partial year's tax, see **Table II** on page 8.

Logging Vehicles

These are vehicles required to be registered under state law or regulations as used only to transport harvested forest products. A special tag or license plate identifying the vehicle as used in the transport of harvested products is not required for the vehicle to be considered a logging vehicle.

The vehicle may qualify as a logging vehicle if:

1. The vehicle is used exclusively during the taxable year to transport products harvested from a forest,
2. The products are transported to and from a point within the forest, and
3. It is registered as a highway motor vehicle used in the transportation of harvested forest products under the laws of the state in which the vehicle is, or is required to be, registered.

Products harvested from the forested site may include timber that has been processed for commercial use by sawing

into lumber, chipping, or other milling operations if the processing occurs prior to transportation from the forested site.

Canadian/Mexican Vehicles

These are vehicles that are registered in Canada or Mexico and are operated in the United States. The reduced tax applies whether or not the vehicles are also required to be registered in the United States.

Adjustments

You are eligible to claim a credit or refund only when a vehicle is destroyed, stolen, or meets the low mileage requirement (see **Suspended Vehicles** below) for the taxable year. You must have already paid the tax to file a claim for credit or refund. Line 3 (Form 2290) may be used to claim a credit. See **Line 3** on page 7.

Generally, you have the later of 3 years from the date your original return was filed (a return filed early is considered to have been filed on the due date) or within 2 years from the time the tax was paid.

Exceptions

Light or decreased loads.—The fact that your vehicle sometimes operates empty or with a load that weighs less than the maximum load customarily carried does not provide a basis for exemption from the tax, a lower tax, a credit, or refund of the tax.

Vehicle's use discontinued or changed.—If your use of a vehicle is discontinued or changed to an exempt nature or the vehicle is being repaired or rebuilt, or has been junked, you are **not** allowed a refund or credit for the tax you paid on the vehicle. If you elected to pay the tax in installments, you must pay any unpaid installments. However, see **Vehicle Destroyed or Stolen** and **Suspended Vehicles** on this page.

Vehicles Destroyed or Stolen

If a taxable vehicle is destroyed or stolen before the first day of June and subsequently not used during the remainder of the taxable year, the tax is prorated. A vehicle is considered destroyed when it is damaged by accident or other casualty to such an extent that it is not economical to rebuild.

To prorate the tax, figure the number of months of use from the first day of the month in which the vehicle was first placed in service to the last day of the month in which it was destroyed or stolen. See the partial-year tables on page 8 to figure the tax. The difference between the tax paid and the tax owed may be claimed as a refund on **Form 8849**, Claim for Refund of Excise Taxes, or it may be claimed as a credit on line 3, Adjustments, on your next Form 2290 required to be filed. The refund claim on Form 8849 may be filed anytime during the taxable year.

If you are paying the tax using the installment privilege, the tax paid is the amount actually paid, not the total tax liability. You cannot claim a credit for unpaid installment amounts.

If you still owe tax, return the installment notice you received with the reduced payment and an explanation. If you do not owe tax or have overpaid, return the installment notice with an explanation.

Vehicles Sold

If you sell a vehicle, discontinue using it, or change it to an exempt use, you are not allowed a refund or credit of the tax for the remaining months in the taxable year unless the vehicle has been used for 5,000 miles or less (7,500 or less for an agricultural vehicle) by you **and** the subsequent owner during the taxable year July through June. See **Suspended Vehicles** below.

Note: *The 5,000 mile or less (7,500 or less for agricultural vehicles) limitation applies to the total mileage a vehicle is driven during a taxable year, regardless of the number of owners.*

If you sell or trade in your vehicle on which you have paid the tax, you are **not** allowed any credit or refund for the tax you paid on the old vehicle. If you elected to pay the tax in installments, you are required to pay any unpaid installments. The new vehicle you get is subject to the tax if it meets the tests discussed earlier.

Agricultural Vehicles

Agricultural vehicles driven 7,500 or fewer miles on public highways during a taxable year may have the tax suspended (see below). An agricultural vehicle is any highway motor vehicle that is:

1. Used (or expected to be used) primarily for farming purposes, and
2. Registered (under state laws) as a highway motor vehicle used for farming purposes for the entire taxable year.

A highway motor vehicle is used primarily for farming purposes if more than half of the vehicle's use (based on mileage) during the taxable year is for farming purposes, as defined later.

A special tag or license plate identifying the vehicle as used for farming is not required for it to be considered an agricultural vehicle.

You do not take into account the number of miles that your highway motor vehicle is driven on the farm when determining whether you have driven more than 7,500 miles on the public highways. You should keep accurate records of miles that a highway motor vehicle is operated on a farm.

Farming purposes means the transporting of any farm commodity to or from a farm, or the use directly in agricultural production.

Farm commodity means any agricultural or horticultural commodity, feed, seed, fertilizer, livestock, bees, poultry, fur-bearing animals, or wildlife. A farm commodity does not include a commodity that has been changed by a processing operation from its raw or natural state.

Example. Juice extracted from fruits or vegetables is not a farm commodity for

purposes of the suspension of tax on agricultural vehicles.

A vehicle used in an activity that contributes in any way to the conduct of a farm such as clearing land, repairing fences and farm buildings, building terraces or irrigation ditches, cleaning tools or farm machinery, and painting is considered used for farming purposes.

But if you use your vehicle in connection with operations such as canning, freezing, packaging, or other processing operations, it will not be considered to be used directly in agricultural production.

Get **Pub. 225**, Farmer's Tax Guide, for more information on farms.

Suspended Vehicles

If you file Form 2290 and complete the suspension statement and later find that your vehicle exceeded the mileage use limit, you must file another Form 2290. Show the additional tax due for the entire year for each vehicle that is no longer exempt. The identification number of the taxable vehicle should not be included on the suspension statement. Once a vehicle exceeds the mileage use limit, the tax becomes due for the entire year or part of a year for which it is in service, regardless of when it exceeded the 5,000 (or 7,500) mile total. Write the word "Amended" at the top of the return and file it by the last day of the month following the month in which the use of the vehicle exceeded the mileage limit.

If a vehicle on which the tax has been paid is used 5,000 (or 7,500) or fewer miles on the highway, you may file a claim for refund of the tax on Form 8849, or you may claim it as a credit on line 3, Adjustments, on the Form 2290 that you file for the next taxable year. Form 8849 cannot be filed until after the end of the taxable year (June 30) for this purpose.

Transferred Vehicles

If a vehicle is transferred while it is eligible for the suspension of the tax, the transferor will not be subject to any tax on the vehicle if he or she gives a statement to the transferee. The statement must show the transferor's name, address, and EIN; vehicle identification number; date of the transfer; odometer reading at the beginning of the taxable year; odometer reading at the time of transfer; and the transferee's name, address, and EIN. The transferee must attach this statement to Form 2290 and file the return before the last day of the month following the month the vehicle was transferred.

If, after the transfer, the use of the vehicle on public highways exceeds 5,000 (7,500) miles (including the highway mileage recorded on the vehicle by the old owner) for the taxable year, and the old owner has provided the required statement, the new owner is liable for the entire highway use tax on the vehicle. If the old owner has not furnished the required statement to the new owner, the

old owner is also liable for the tax for that taxable year to the extent the tax has not been previously paid.

Second-hand vehicle purchased.—If you acquire a second-hand taxable vehicle and have it registered in your name during the taxable year, you must have proof of whether there was a taxable use of this vehicle in the taxable year, and if applicable, whether there was a suspension of the tax, before it was registered in your name. The evidence may be a written statement, signed and dated by the person (or dealer) from whom you acquired the vehicle.

If a taxable vehicle is used in the taxable year while registered in the name of the first owner, that person owes the tax. If the first owner pays it, no later owners owe the tax for that year. Proof of payment of tax is a copy of Schedule 1, Form 2290, stamped by the IRS. However, if you obtain, register, and use a vehicle in a taxable year for which the tax is due and not paid, you are liable for the unpaid tax for the entire year. It does not matter that the prior user, who failed to pay the tax, had filed a return. As the later user in a taxable year, you must report or pay the tax by the last day of the month after the month the IRS notifies you that a return must be filed.

Specific Instructions

Tax Computation

The Federal highway use tax is a graduated tax that is based on the taxable gross weight of the vehicle. The tax rates for the taxable year beginning in July are:

Taxable gross weight	Rate of tax
At least 55,000 but not over 75,000 pounds	\$100 a year plus \$22 for each 1,000 pounds or fraction thereof over 55,000 pounds
Over 75,000	\$550

To figure the tax, you need to know the taxable gross weight of each vehicle, which determines its category. See **Determining Taxable Gross Weight** on page 5. The taxable gross weight categories are listed on page 2 (Form 2290). Column (1)(a) or (1)(b) shows the tax for each vehicle used any time during July.

Use the **Tax Rate Tables** on page 8 if the vehicle was first used after July. Enter the rate on the appropriate line in column (2)(a) or (2)(b).

In columns (3)(a) and (3)(b), enter the number of vehicles for each category, including the total number of tax-suspended vehicles in category W. Be sure to include any taxable vehicles you acquired in the last taxable year.

In column (4), enter the tax you determine.

Line 1

Enter on line 1, page 1, the total of column (4), categories A through V from page 2.

Line 2

If the taxable gross weight of a vehicle increases during the taxable year, and the vehicle falls in a new category, you must file a new Form 2290 and pay the additional tax for the remainder of the taxable year. For instance, an increase in maximum load customarily carried may change the taxable gross weight.

Figure the additional tax as shown below.

Note: *If the increase in taxable gross weight occurs in July after you have filed your return, figure the additional tax by using the amounts on page 2.*

1. From the **Tax Computation Table** (page 2), determine the new taxable gross weight category. Next, go to the **Tax Rate Tables** (page 8). Find the month when the vehicle's taxable gross weight increased. Read down the column to the new category; this is the new tax. Enter the amount here \$ _____
2. On page 8, find the tax under that month for the previous category reported. Enter the amount here \$ _____
3. Additional tax. Subtract line 2 from line 1. Enter the additional tax here and on page 1 (Form 2290), line 2 \$ _____

File Form 2290 by the last day of the month following the month of the increase in taxable gross weight. Attach a copy of the computation to the new Form 2290.

Line 3

Enter the amount of allowable credit for the tax paid on a vehicle that was destroyed or stolen. Also, enter on this line the tax paid on a vehicle that was used 5,000 miles or less (7,500 or less for agricultural vehicles) on the highway during the prior taxable year. Attach an explanation of these adjustments. **Do not** enter any other adjustments on this line.

The amount claimed on line 3 (Form 2290) for an adjustment cannot exceed the tax reported on lines 1 and 2. Any excess credit must be claimed as a refund on Form 8849.

Statement in Support of Suspension of Tax

If you expect to use a vehicle on public highways in the United States less than the mileage use limit during a taxable year, complete line 6 of the **Statement in Support of Suspension of Tax** on page 1. The tax on that vehicle will then be suspended for the taxable year. Also, list

vehicles on which the tax is suspended on Schedule 1, Part II, Form 2290, and enter the total number of tax-suspended vehicles in category W, column (3), Form 2290, page 2. On the return for the next taxable year, you must check the box on line 7 to verify that the vehicles were used less than the mileage use limit and that you are not liable for the use tax for the year. If you transferred the tax-suspended vehicle, you are required to complete line 8 of the suspension statement.

Signature

You must sign the return. Returns filed without a signature will be sent back to you for signing. An unsigned return is not considered filed.

Schedule 1

Complete **both** copies of Schedule 1 and file them with your return. Your return may be rejected if Schedule 1 is not attached to Form 2290.

Enter in Part I the vehicle identification number and category of each taxable vehicle. Enter in Part II the vehicle identification number of any tax-suspended vehicle. If the number of vehicles on which you are reporting tax exceeds 21 or the number of vehicles on which tax is suspended exceeds 9, and all vehicles are to be registered in the name entered on the schedule, you do not have to complete Parts I and II on Schedule 1. However, in Part III, line a, enter the total number of taxable vehicles reported on page 2, column (3), categories A through V, and on line b enter the total number of tax-suspended vehicles entered in column (3), category W.

Instead of completing Part I and Part II of Schedule 1, you may attach a statement to Schedule 1 that lists the vehicle identification number and category for each vehicle. You must attach two copies of this statement to Schedule 1. Be sure to write your name and EIN on each sheet you attach.

Proof of payment for state registration.—States will require verification of payment of the use tax for any taxable vehicle before they will register the vehicle. One stamped copy of Schedule 1 will be returned to you for use as proof of payment when registering vehicles with the state or, in the case of a Canadian or Mexican vehicle, when entering the United States. Refer to the laws of the states in which the vehicles are registered for specific instructions on submitting proof of payment to a state.

- No proof of payment is required for:
- a vehicle with a taxable gross weight of less than 55,000 pounds; or
 - a newly purchased vehicle, if you present to the state a copy of the bill of sale showing that the vehicle was purchased within the last 60 days.

PARTIAL-YEAR TAX RATE TABLES

► For vehicles first used after July 31, 1997

- Find the category line for the vehicle in **Table I** or **Table II**.
- Find the month the vehicle was first used on public highways.
- Read down the column. The amount where the category line and the month column meet is the tax due.
- Enter the amount in column 2 on page 2.

Table I Vehicles Except Logging or Canadian/Mexican (enter in col. 2(a))

CATEGORY	AUG (11)	SEPT (10)	OCT (9)	NOV (8)	DEC (7)	JAN (6)	FEB (5)	MAR (4)	APR (3)	MAY (2)	JUNE (1)
A	\$ 91.67	\$ 83.33	\$ 75.00	\$ 66.67	\$ 58.33	\$ 50.00	\$ 41.67	\$ 33.33	\$ 25.00	\$16.67	\$ 8.33
B	111.83	101.67	91.50	81.33	71.17	61.00	50.83	40.67	30.50	20.33	10.17
C	132.00	120.00	108.00	96.00	84.00	72.00	60.00	48.00	36.00	24.00	12.00
D	152.17	138.33	124.50	110.67	96.83	83.00	69.17	55.33	41.50	27.67	13.83
E	172.33	156.67	141.00	125.33	109.67	94.00	78.33	62.67	47.00	31.33	15.67
F	192.50	175.00	157.50	140.00	122.50	105.00	87.50	70.00	52.50	35.00	17.50
G	212.67	193.33	174.00	154.67	135.33	116.00	96.67	77.33	58.00	38.67	19.33
H	232.83	211.67	190.50	169.33	148.17	127.00	105.83	84.67	63.50	42.33	21.17
I	253.00	230.00	207.00	184.00	161.00	138.00	115.00	92.00	69.00	46.00	23.00
J	273.17	248.33	223.50	198.67	173.83	149.00	124.17	99.33	74.50	49.67	24.83
K	293.33	266.67	240.00	213.33	186.67	160.00	133.33	106.67	80.00	53.33	26.67
L	313.50	285.00	256.50	228.00	199.50	171.00	142.50	114.00	85.50	57.00	28.50
M	333.67	303.33	273.00	242.67	212.33	182.00	151.67	121.33	91.00	60.67	30.33
N	353.83	321.67	289.50	257.33	225.17	193.00	160.83	128.67	96.50	64.33	32.17
O	374.00	340.00	306.00	272.00	238.00	204.00	170.00	136.00	102.00	68.00	34.00
P	394.17	358.33	322.50	286.67	250.83	215.00	179.17	143.33	107.50	71.67	35.83
Q	414.33	376.67	339.00	301.33	263.67	226.00	188.33	150.67	113.00	75.33	37.67
R	434.50	395.00	355.50	316.00	276.50	237.00	197.50	158.00	118.50	79.00	39.50
S	454.67	413.33	372.00	330.67	289.33	248.00	206.67	165.33	124.00	82.67	41.33
T	474.83	431.67	388.50	345.33	302.17	259.00	215.83	172.67	129.50	86.33	43.17
U	495.00	450.00	405.00	360.00	315.00	270.00	225.00	180.00	135.00	90.00	45.00
V	504.17	458.33	412.50	366.67	320.83	275.00	229.17	183.33	137.50	91.67	45.83

Table II Logging or Canadian/Mexican Vehicles (enter in col. 2 (b))

A	\$ 68.75	\$ 62.49	\$ 56.25	\$ 50.00	\$ 43.74	\$ 37.50	\$ 31.25	\$ 24.99	\$ 18.75	\$12.50	\$ 6.24
B	83.87	76.25	68.62	60.99	53.37	45.75	38.12	30.50	22.87	15.24	7.62
C	99.00	90.00	81.00	72.00	63.00	54.00	45.00	36.00	27.00	18.00	9.00
D	114.12	103.74	93.37	83.00	72.62	62.25	51.87	41.49	31.12	20.75	10.37
E	129.24	117.50	105.75	93.99	82.25	70.50	58.74	47.00	35.25	23.49	11.75
F	144.37	131.25	118.12	105.00	91.87	78.75	65.62	52.50	39.37	26.25	13.12
G	159.50	144.99	130.50	116.00	101.49	87.00	72.50	57.99	43.50	29.00	14.49
H	174.62	158.75	142.87	126.99	111.12	95.25	79.37	63.50	47.62	31.74	15.87
I	189.75	172.50	155.25	138.00	120.75	103.50	86.25	69.00	51.75	34.50	17.25
J	204.87	186.24	167.62	149.00	130.37	111.75	93.12	74.49	55.87	37.25	18.62
K	219.99	200.00	180.00	159.99	140.00	120.00	99.99	80.00	60.00	39.99	20.00
L	235.12	213.75	192.37	171.00	149.62	128.25	106.87	85.50	64.12	42.75	21.37
M	250.25	227.49	204.75	182.00	159.24	136.50	113.75	90.99	68.25	45.50	22.74
N	265.37	241.25	217.12	192.99	168.87	144.75	120.62	96.50	72.37	48.24	24.12
O	280.50	255.00	229.50	204.00	178.50	153.00	127.50	102.00	76.50	51.00	25.50
P	295.62	268.74	241.87	215.00	188.12	161.25	134.37	107.49	80.62	53.75	26.87
Q	310.74	282.50	254.25	225.99	197.75	169.50	141.24	113.00	84.75	56.49	28.25
R	325.87	296.25	266.62	237.00	207.37	177.75	148.12	118.50	88.87	59.25	29.62
S	341.00	309.99	279.00	248.00	216.99	186.00	155.00	123.99	93.00	62.00	30.99
T	356.12	323.75	291.37	258.99	226.62	194.25	161.87	129.50	97.12	64.74	32.37
U	371.25	337.50	303.75	270.00	236.25	202.50	168.75	135.00	101.25	67.50	33.75
V	378.12	343.74	309.37	275.00	240.62	206.25	171.87	137.49	103.12	68.75	34.37

Voucher Instructions

Complete **Form 2290-V**, Payment Voucher, if you are making a payment with Form 2290. We will use the completed voucher to credit your payment more promptly and accurately, and to improve our service to you. If you have your return prepared by a third party and make a payment with that return, provide this payment voucher to the return preparer.

Box 1—Amount paid.—Enter the amount paid with Form 2290.

Box 2.—Enter the first four characters of your last name, or business name if partnership or corporation.

- Individuals (sole proprietors, trusts, or estates)—Enter the first 4 letters of your last name.
- Corporations and partnerships—Enter the first 4 characters of your business name. Omit "The" if followed by more than one word.

Box 3—Employer identification number (EIN).—If you do not have an EIN, apply for one following the instructions on **Form SS-4**, Application for Employer Identification Number.

Box 4—Taxable year.—Enter "9707" unless for a partial year. For a partial year, enter the year and month the vehicle(s) were first used on public highways. Use the YYMM format.

Box 5—Business name and address.—Enter your business name and address as shown on Form 2290.

- Make your check or money order, with your EIN clearly written on it, payable to the **Internal Revenue Service** (not IRS). Do not send cash. Do not staple your payment to the voucher.
- Detach the voucher and send it with the return and your payment to the address shown on the voucher.

Calling the IRS

If you cannot answer your question by reading the tax form instructions or one of our free tax publications, please call us for assistance. You will not be charged for the call unless your phone company charges you for local calls. This service is available Monday through Friday from 7:30 a.m. to 5:30 p.m. (hours in Alaska and Hawaii may vary).

Before you call—IRS representatives care about the quality of the service we provide to you, our customer. You can help us provide accurate, complete answers to your questions by having the following information available.

1. The tax form, schedule, or notice to which your question relates;
2. The facts about your particular situation (the answer to the same question often varies from one taxpayer to another); and
3. The name of any IRS publication or other source of information that you used to look for the answer.

Making the call—Find the correct number for your area by using the chart below. If you have a pulse or rotary dial phone, stay on the line and one of our assistants will answer your call.

If you have a touch-tone telephone, press "1" to enter our automated system. Selecting the correct topic helps us serve you faster and more efficiently. The system allows you to select from the following topics. You can press the number for your topic as soon as you hear it.

- For questions about a notice, letter, or bill you received.
- For questions about your refund, a tax return you filed, or your tax records.
- To order tax forms or publications.
- For questions about your taxes or about preparing a tax return.
- For questions about business or employment taxes.

Before you hang up—If you do not fully understand the answer you receive or you feel our representative may not fully understand your question, our representative needs to know this. He or she will be happy to take additional time to be sure your question is answered fully.

By law, you are responsible for paying your share of Federal tax. If we should make an error in answering your question, you are still responsible for paying the correct tax. Should this occur, however, you will not be charged any penalty. To make sure that IRS representatives give accurate and courteous answers, a second IRS representative sometimes listens in on telephone calls. No record is kept of any taxpayer's identity.

Choosing the right number—If there is a number listed below for your calling area, please use it, but only if it is not a long distance call for you.

If the city where you live is not listed below, dial **1-800-829-1040**.

CALIFORNIA
Oakland, (510) 839-1040

COLORADO
Denver, (303) 825-7041

FLORIDA
Jacksonville, (904) 354-1760

GEORGIA
Atlanta, (404) 522-0050

MARYLAND
Baltimore, (410) 962-2590

MASSACHUSETTS
Boston, (617) 536-1040

MISSOURI
St. Louis, (314) 342-1040

NEW YORK
Buffalo, (716) 685-5432

OHIO
Cincinnati, (513) 621-6281
Cleveland, (216) 522-3000

OREGON
Portland, (503) 221-3960

PENNSYLVANIA
Philadelphia, (215) 574-9900
Pittsburgh, (412) 281-0112

PUERTO RICO
San Juan Metro Area,
(787) 766-5040

TENNESSEE
Nashville, (615) 834-9005

TEXAS
Dallas, (214) 742-2440
Houston, (713) 541-0440

VIRGINIA
Richmond, (804) 698-5000

WASHINGTON
Seattle, (206) 442-1040

TTY/TDD Help

All areas in the United States, including Alaska, Hawaii, Virgin Islands, and Puerto Rico, 1-800-829-4059

Note: This number is answered by TTY/TDD equipment only.

Hours of TTY/TDD Operation

8:00 a.m. to 6:30 p.m. EST
(Jan. 1–April 5)

9:00 a.m. to 7:30 p.m. EDT
(April 6–April 15)

9:00 a.m. to 5:30 p.m. EDT
(April 16–Oct. 25)

8:00 a.m. to 4:30 p.m. EST
(Oct. 26–Dec. 31)

How To Get Forms and Publications

You can request forms, instructions, and publications by telephone, or you can use a computer to get copies.

Request by	Number or Address
Telephone	1-800-TAX-FORM (1-800-829-3676)
Direct dial (by modem)	703-321-8020
Internet World Wide Web FTP Telnet	http://www.irs.ustreas.gov ftp.irs.ustreas.gov iris.irs.ustreas.gov

Forms, publications, and instructions are also available on CD-ROM at subscribing libraries. You may order the CD from the Government Printing Office by calling 202-512-1800 (voice) or 202-512-1387 (modem).

**SCHEDULE 1
(Form 2290)**

(Rev. July 1997)
Department of the Treasury
Internal Revenue Service

Schedule of Highway Motor Vehicles

For the taxable year July 1, 1997, through June 30, 1998

OMB No. 1545-0143

Complete both copies of Schedule 1 and ATTACH to FORM 2290.

Please Type or Print	Name as shown on Form 2290	Employer identification number	FOR IRS USE ONLY
	Address (number, street, and room or suite no.)		
	City, state, and ZIP code (province or state, postal code, and country)		

Part I List Vehicles on Which You Are Reporting Tax

	Vehicle Identification Number	Category	Vehicle Identification Number	Category	Vehicle Identification Number	Category
1		8		15		
2		9		16		
3		10		17		
4		11		18		
5		12		19		
6		13		20		
7		14		21		

Part II List Vehicles for Which Tax Is Suspended—5,000 Miles or Less (7,500 or Less for Agricultural Vehicles)

	Vehicle Identification Number	Category	Vehicle Identification Number	Category	Vehicle Identification Number	Category
1		W 4		W 7		W
2		W 5		W 8		W
3		W 6		W 9		W

Part III Summary of Reported Vehicles

a Enter the total number of taxable vehicles (categories A–V, Form 2290) _____

b Enter the total number of taxable vehicles on which the tax is suspended (category W, Form 2290) _____

For Paperwork Reduction Act Notice, see Form 2290, page 3.
DO NOT cut or separate the forms on this page.

**SCHEDULE 1
(Form 2290)**

(Rev. July 1997)
Department of the Treasury
Internal Revenue Service

Schedule of Highway Motor Vehicles

For the taxable year July 1, 1997, through June 30, 1998

OMB No. 1545-0143

CAUTION: This copy will be stamped and returned to you. You must keep this stamped copy for use as proof of payment when registering vehicle(s) with a state.

Please Type or Print	Name as shown on Form 2290	Employer identification number
	Address (number, street, and room or suite no.)	
	City, state, and ZIP code (province or state, postal code, and country)	

Part I List Vehicles on Which You Are Reporting Tax

	Vehicle Identification Number	Category	Vehicle Identification Number	Category	Vehicle Identification Number	Category
1		8		15		
2		9		16		
3		10		17		
4		11		18		
5		12		19		
6		13		20		
7		14		21		

Part II List Vehicles for Which Tax Is Suspended—5,000 Miles or Less (7,500 or Less for Agricultural Vehicles)

	Vehicle Identification Number	Category	Vehicle Identification Number	Category	Vehicle Identification Number	Category
1		W 4		W 7		W
2		W 5		W 8		W
3		W 6		W 9		W

Part III Summary of Reported Vehicles

a Enter the total number of taxable vehicles (categories A–V, Form 2290) _____

b Enter the total number of taxable vehicles on which the tax is suspended (category W, Form 2290) _____

For Paperwork Reduction Act Notice, see Form 2290, page 3.