



Notice

2013 Combined Fuel Tax Reporting Changes

Effective May 1, 2013

New legislation passed (Senate Bill 160) that modifies the definition of *special fuel* to include biodiesel and blended biodiesel fuel, and a new deduction has been added for the receipt or manufacture of biodiesel fuel delivered to rack operators for blending or resale.

Effective May 1, 2013, *biodiesel* means a renewable, biodegradable, mono alkyl ester combustible liquid fuel that is derived from agricultural plant oils or animal fats and that meets the American Society for Testing and Materials specifications for biodiesel fuel, B100, or B99 blend stock for distillate fuels. *Blended biodiesel* means a diesel engine fuel that contains at least two percent biodiesel.

For special fuel received on or after May 1, 2013, a new special fuel deduction is available for the receipt or manufacture of biodiesel fuel delivered to rack operators for blending or resale. The special fuel deduction for gallons of special fuel received in New Mexico that consists of at least 99% vegetable oil or animal fat, when the use is restricted to an auxiliary fuel system that is subject to a certificate of conformity pursuant to the federal Clean Air Act, remains available through July 1, 2014.

The following deductions reported on or after May 1, 2013, but not after June 30, 2014, should both be reported on line 22, page 2 of Form RPD-41306, *Combined Fuel Tax Report*:

- ◆ The new special fuel deduction for the receipt or manufacture of biodiesel fuel delivered to rack operators for blending or resale, *and*
- ◆ The special fuel deduction for gallons of special fuel received in New Mexico that consists of at least 99% vegetable oil or animal fat when the use is restricted to an auxiliary fuel system that is subject to a certificate of conformity pursuant to the federal Clean Air Act.

A supplier E-Filing a Combined Fuel Tax Report for reporting one of the above deductions must follow the Combined Fuel Tax on-line instructions or the File Specifications under Bulk Filing to report the Special Fuel total gallon amount in Section 2, line 22. Use Product Type code "170" to report gallons of biodiesel delivered to a New Mexico terminal. Continue to use Product Type code "099" to report gallons of special fuel received that is at least 99% vegetable oil or animal fat.

A new *Schedule Type 6J, Schedule of Disbursements*, is available in paper form for the above deductions and must be submitted to the Department, even though the remainder of the *Combined Fuel Tax Report* is electronically filed. For further instructions regarding the *new Schedule Type 6J*, please contact the Fuel Tax Unit at (505) 827-0764 or (505) 827-0765.

Changes Expected For Electronic Filing

The Department is in the process of updating the electronic filing for combined fuel tax to include the new *Schedule Type 6J*, and *Product Type* codes for biodiesel products.

For More Information

You can view and download the revised forms and instructions from our website, www.tax.state.nm.us. Click **Forms and Publications** and then click **Combined Fuel Taxes**. If you have questions, please call Constance Callaway at (505) 827-0764 or Theresa Smith at (505) 827-0765.