

NORTH CAROLINA DEPARTMENT OF REVENUE  
MOTOR FUELS TAX DIVISION  
P.O. BOX 25000  
RALEIGH, NORTH CAROLINA 27640

INSTRUCTIONS FOR COMPLETION OF RETAILER OF ALTERNATIVE FUELS RETURN- FORM GAS 1258

**DEFINITIONS**

**ALTERNATIVE FUEL** – Liquid Propane, Compressed Natural Gas or Propane Gas. **It does not include dyed or undyed diesel fuel.**

**COMMON STORAGE** – A storage facility that contains non-taxpaid alternative fuel from which fuel is dispensed for both highway and nonhighway purposes. Separate metering devices **must be** maintained on this storage facility.

**RETAILER** – A person who maintains storage facilities for alternative fuel and who sells the fuel at retail or dispenses the fuel at a retail location to operate a highway vehicle.

**PERSONS REQUIRED TO FILE THE RETAILER RETURN**

Every retailer of alternative fuel in North Carolina is required to file a quarterly report showing a total accountability of gallons from tax paid storage and gallons from a common storage facility. Road and inspection taxes must be paid on this return for all gallons dispensed through the highway pump of a common storage facility. If you have never stored alternative fuel, please contact the Division so that your account can be closed. The mailing address is North Carolina Department of Revenue, Motor Fuels Tax Division, P. O. Box 25000, Raleigh, NC 27640.

**INSTRUCTIONS**

Complete all information at top of Form Gas 1258 including account number (FEIN or SSN), telephone number and quarter for which the return is being filed. Include your name and address if a label is not attached. The return is due to be filed by the last day of the month following the close of the quarter.

**NOTE: COLUMN A SHOULD ACCOUNT FOR GALLONS FROM TAX PAID STORAGE ONLY. COLUMN B SHOULD ACCOUNT FOR GALLONS FROM A COMMON STORAGE FACILITY ONLY. IF YOU HAVE A STORAGE FACILITY FOR NON-HIGHWAY USE ONLY, YOU DO NOT NEED TO INCLUDE THOSE GALLONS ON THIS RETURN.**

Line by line instructions for Section A

- Line 1 – List inventory at the beginning of the quarter.
- Line 2 – Include bulk receipts from Section C – (must be completed before Section A.)
- Line 3 – List inventory at the end of the quarter.
- Line 4 – Add Lines 1 and 2 and then subtract Line 3. (Line 4 should equal Line 8)
- Line 5 – Include total gallons sold for highway use and total gallons used in owned or leased vehicles operated by you.
- Line 6 – List fuel sold or used for non-highway use.
- Line 7 – List inventory adjustments. Add a loss or subtract a gain.
- Line 8 – Add lines 5 and 6 and add or subtract Line 7 as appropriate. (Line 8 should equal line 4)

In Section B, check the block and list the name of your provider of alternative fuels if on consignment. Record beginning and ending meter readings for alternative fuel pumps for tax paid and common storage facilities only. Subtract the beginning reading from the ending reading for each pump and enter the difference in the PUMP THRU PUT column. Include gallons pumped in a pump test or any other adjustments in the LESS ADJUSTMENT column. Subtract the adjustments from the pump thru put and enter the result in the NET TOTAL column. Total all taxpaid and taxfree gallons pumped, by product type and list the number of gallons in the TOTAL column.

If you have taxpaid storage only, the taxpaid total in Section B should equal Line 5, Column A, Section A. If you maintain a common storage facility only, the taxfree total in Section B should equal Line 5, plus Line 6, Column B, Section A. **NOTE:** If your pump breaks, record

## Form Gas 1258 Instructions (Reverse)

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(Web)

the meter reading at the time of the break and start a new meter. Attach an explanation and include the beginning meter reading, the meter reading at the time of the break, the new meter reading and the final meter reading, at the end of the quarter.

In Section C, list each provider's account number, name and address. The provider's account number is an assigned number furnished by the Division. Opposite each provider's name, enter the tax paid and tax free gallons of alternative fuels purchased by month including purchases and deliveries on consignment. Show a total for the quarter for each provider. Total all tax paid and tax free purchases for all providers and list these totals at the bottom of the TOTAL column. The tax paid and tax free totals in this section should be equal to line 2, column A and B. Enter tax free gallons that are delivered to a common storage facility only. Do not list gallons that are delivered to a storage facility for non-highway use only.

In Section D, show the number of vehicles, total miles traveled during the quarter by vehicles using alternative fuels and total gallons of alternative fuels used for vehicles operating only within North Carolina. If you file an IFTA return and intrastate miles are included on that return, check the block in this section and disregard item 2.

### COMPUTATION OF ROAD AND INSPECTION TAX

Line 9 – Multiply Column B, Line 5 by applicable road tax rate.

Line 10 – Multiply Column B, Line 5 by inspection tax of .25 cents per gallon (.0025).

Line 11 – List adjustments authorized by the North Carolina Department of Revenue, Motor Fuels Tax Division. Show credit amount in brackets. Attach an explanation.

Line 12 – Add Column B, Lines 9 through 11.

Line 13 – **If you complete Column A** – Add a \$50.00 penalty, pursuant to G. S. 105-236(10)c. Failure to file a return when due.  
**If you complete Column B or Columns A & B** – Add a penalty of 5% per month, not to exceed 25% in the aggregate, or \$5.00, whichever is greater, pursuant to G. S. 105-236(3). Failure to file a return when due.

Line 14 – Interest is to be computed at the rate established semi-annually by the Secretary of Revenue.

**NOTE:** Penalty and interest are to be computed on the total road and inspection taxes shown to be due.

Line 15 – Add lines 12 through 14 for Column A and B.

If you have any questions regarding this return you may call (919) 733-3409.

Sign, Date & Mail return to the North Carolina Department of Revenue, Motor Fuels Tax Division, P. O. Box 25000, Raleigh, N.C. 27640.