



**STATE OF CONNECTICUT
DEPARTMENT OF REVENUE SERVICES**

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Hartford CT 06103-1837

**TSSB 2023-2
TAXPAYER SERVICES SPECIAL BULLETIN**

**Frequently Asked Questions Concerning IFTA Filing Requirements
for the Periods January of 2023 Through May of 2023**

The purpose of this publication is to provide guidance as to how IFTA carriers are to calculate and report the credit for taxes paid on gasoline and gasohol purchased in Connecticut during the period from January of 2023 through May of 2023.

1. What is the authority for the incremental reinstatement of the motor vehicle fuels tax on gasoline and gasohol?

The General Assembly enacted legislation (2022 Conn. Pub. Acts 1, § 1 (November Special Session)) that incrementally reinstates the motor vehicle fuels tax on gasoline and gasohol.

2. How will the motor vehicle fuels tax on gasoline and gasohol be reinstated?

The motor vehicle fuels tax on gasoline and gasohol will be incrementally reinstated as follows. Effective January 1, 2023, the motor vehicle fuels tax on gasoline and gasohol will be imposed at the rate of five cents per gallon. The motor vehicle fuels tax on gasoline and gasohol will be incrementally reinstated to ten cents per gallon effective February 1, 2023, to fifteen cents per gallon effective March 1, 2023, to twenty cents per gallon effective April 1, 2023, and to twenty-five cents per gallon effective May 1, 2023. According to the legislation, and notwithstanding any subsequent legislative action, the twenty-five cents per gallon rate is scheduled to remain in effect and apply to any sale or use of gasoline and gasohol on and after May 1, 2023.

3. Will IFTA-licensed carriers in Connecticut be entitled to a credit for the tax paid?

Yes, any IFTA-licensed carriers in Connecticut that purchases gasoline or gasohol in Connecticut will be entitled to a credit. The manner in which an IFTA-licensed carrier in Connecticut reports gallons as tax paid and gallons as tax free for the periods January through May, is explained in Question 4.

4. How do IFTA-licensed carriers in Connecticut file returns in myconneCT for the periods January of 2023 through May of 2023?

The calculation for each month's gallons reported as tax paid and gallons reported as tax free is dependent upon the tax rate for the month in which the gallons are purchased. The example below shows how to calculate the percentage of total gallons to be applied to tax paid gallons and percentage to be applied to tax free gallons for each of the January through May periods.

Column A	Column B	Column C (B x \$ 0.25)	Column D	Column E	Column F (B x % from E)	Column G (B x D)	Column H	Column I (B x % from H)	Column J (I x \$ 0.25)
Month	Gallons	Total Tax Due	Tax	% of Total Gallons which are Tax Paid	Gallons Reported as Tax Paid	Tax Paid	% of Total Gallons which are Tax Free	Gallons Reported as Tax Free	Tax Due on Tax Free Gallons
January	800	\$ 200.00	\$ 0.05	20% of Total Gallons	160	\$ 40.00	80% of Total Gallons	640	\$160.00
February	800	\$ 200.00	\$ 0.10	40% of Total Gallons	320	\$ 80.00	60% of Total Gallons	480	\$120.00
March	800	\$ 200.00	\$ 0.15	60% of Total Gallons	480	\$ 120.00	40% of Total Gallons	320	\$80.00
April	800	\$ 200.00	\$ 0.20	80% of Total Gallons	640	\$ 160.00	20% of Total Gallons	160	\$40.00
May	800	\$ 200.00	\$ 0.25	100% of Total Gallons	800	\$ 200.00	0% of Total Gallons	0	\$0.00
June	800	\$ 200.00	\$ 0.25	100% of Total Gallons	800	\$ 200.00	0% of Total Gallons	0	\$0.00

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5. How is the IFTA return completed in myconneCT for the January through May monthly periods?

If gasoline or gasohol was purchased in Connecticut, the return should be completed as follows:

Select “Yes,” for *Do you have any nontaxable motor vehicle operations to report for the quarter?*

IFTA-100 International Fuel Tax Agreement Return

Filing Information

For form instructions, please click [here](#).

Important legislative updates may impact the filing of this return. Check both links below to see if any changes impact your return:

[Special Notices Gas Tax Holidays](#)

[Jurisdiction Exemptions](#)

This return is late and may be subject to Penalty and Interest charges. The estimated Penalty and Interest amounts have been estimated based on the full amount of tax due being paid with this filing.

Return Information

Did you operate a qualified motor vehicle(s) in any jurisdiction including your base jurisdiction during the quarter?

No Yes

Do you have any nontaxable motor vehicle operations to report for the quarter?

No Yes

Cancel Save Draft Previous Next

Select *Next* and then *Add a Record* for IFTA Jurisdictions as displayed below:

- Select “Connecticut” for *Jurisdiction*.
- Select “Gasoline” or “Gasohol” for *Fuel Type*.
- Check the box for **Exempt Miles or Non-Taxable Gallons**.

IFTA Jurisdiction Information

Jurisdiction Information

Jurisdiction

Connecticut

Fuel Type

Gasoline

Check here to provide the number of **Exempt Miles or Non Taxable Gallons**, due to having non-taxable miles traveled or non-taxable gallons to report. Please provide explanation of these exemptions.

Taxable Miles/Gallons

Taxable Miles

48,000

Tax Paid Gallons

960

Using the information in the example above, how to calculate the percentage of total gallons, Quarter 1 2023 would be entered as follows:

- Enter *Taxable Miles*. In this example 48,000 miles was used.
- *Tax Paid Gallons* will be 960. Added figures from January – March (160, 320 and 480) from Column F.

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- *Non-Taxable Gallons* will be 1,440. Added figures from January – March (640, 480 and 320) from Column I.

Non Taxable Miles/Gallons

Exempt Miles
0

Exempt Taxable Miles Reason

Non Taxable Gallons
1,440

Non Taxable Gallons Reason
\$0.05 January, \$0.10 February and \$0.15 March Tax Rates

Cancel Add

- Enter *Non-Taxable Gallons Reason*. In this example, months and rates used were stated.
- Then select *Add*.
- Enter other jurisdictions as applicable.
- When all jurisdictions are entered select *Next*, and your return amount due/credit will be calculated.

Regardless of whether an IFTA-licensed carrier purchases gasoline or gasohol during the period of January of 2023 through May of 2023, any IFTA-licensed carrier that travels in Connecticut during said period is responsible for reporting and remitting tax based on the miles traveled in Connecticut. As a result, any IFTA-licensed carrier that travels in Connecticut is responsible for remitting tax at the rate of twenty-five cents per gallon of the fuel used while traveling within Connecticut.

Note: Quarter 1 and Quarter 2 2023 IFTA returns will be impacted by the monthly changes in the tax rate for the motor vehicle fuels tax applicable to gasoline and gasohol. Quarter 1 2023 is due May 1, 2023, and will cover the months of January, February, and March 2023. Quarter 2 2023 is due July 31, 2023, and will cover the months of April, May, and June 2023.

Related Forms and Publications

See the following updated forms and publications on the Department of Revenue Services' website at portal.ct.gov/DRS:

Publications

- **Special Notice 2022(6)**, *Summary of Legislative Changes to the Motor Vehicle Fuels Tax Made During the November 2022 Special Session*
- **Taxpayer Services Special Bulletin 2022-3.2**, *Motor Vehicle Fuels Tax Not Applicable to Gasoline and Gasohol Between April 1, 2022 and June 30, 2022*

Forms

- **Form OM-F**, *Motor Vehicle Fuels Tax Return*
- **Form O-MF 1**, *Tax-Paid Motor Vehicle Fuels Tax Return*
- **Form AU-724**, *Motor Vehicle Fuels Tax Refund Claim - Off Highway, Manufacturing, Governmental, School Bus, and Waste Hauling Use*
- **Form AU-725**, *Motor Vehicle Fuels Tax Refund Claim - Farm Use*
- **Form AU-736**, *Motor Vehicle Fuels Tax Refund Claim - Motor Bus, Taxicab, and Livery*

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- **Form AU-737**, *Motor Vehicle Fuels Tax Refund Claim - Airport Service Motor Bus*
 - **Form AU-738**, *Motor Vehicle Fuels Tax Refund Claim - Nutrition Program*
 - **Form AU-741**, *Motor Vehicle Fuels Tax Refund Claim - Commuter Vans*
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Effective Date: Upon issuance.

Effect on Other Documents: None.

For the Latest News: Visit the DRS website at portal.ct.gov/DRS.

E-Services Update

Use **myconneCT** to file taxes, make payments, view filing history, and communicate with the agency simply and more efficiently on virtually any mobile device, including laptops, tablets, and smartphones, 24 hours a day, 7 days a week. For updated information, please visit the DRS website at portal.ct.gov/DRS-myconneCT.

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Motor Vehicle Fuels Tax

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