



Montana Department of Transportation  
[www.mdt.mt.gov](http://www.mdt.mt.gov)

**Forms and Instructions for *Agricultural Standard*  
Montana Diesel or Gasoline Tax Refund**

**Mail Applications to:  
Montana Department of Transportation  
PO Box 8019  
Helena MT 59604-8019**

As of January 2017

# Verification of Agricultural Income Notice:

Montana Law 15-70-430 allows an estimated amount of fuel tax refund to qualified agricultural users. To qualify under the agricultural estimate, at least 30 percent of your gross earned income must be from operations directly associated with farming and ranching.

To ensure that the applicant's use qualifies as agricultural use, the department verifies state and federal income tax information every three years. Montana's law 15-70-430 allows the department of transportation to request state or federal income tax information from the department of revenue. To expedite your refund, you have the option of sending a copy of your most recently filed Federal Income return with your refund application. If you choose to include a copy of your tax return, please send the following:

- **The first page of the return and**
- **any supporting statements and schedules that show your Agriculture income (i.e., Schedule C, D, E, F, Federal Farm Schedule, Form 4797, and Form 4835).**

Your documents are shredded, unless you request that they be returned.

**All entities claiming the agricultural estimate fuel tax refund including Corporations, Partnerships, S-corps will be verified. Tax information may be emailed to Debbie at [degibson@mt.gov](mailto:degibson@mt.gov) using the secure file server. Instructions for sending secure files are included below.**

**Agricultural income is verified every 3 years.**

If you have any questions, you can contact the Montana Department of Transportation at (406) 444-7270.

## Required Records:

- MF-27A Form page 7
- Social Security Number or Federal ID Number written on application
- Applicant's Signature
- Schedule A including listed fuel purchases on following pages
- Original (Inked) gasoline or clear diesel bulk and/or Keylock/Cardtrol invoices

**If you have any questions filling out these forms, please call (406) 444-7270 between the hours of 8:00am and 5:00pm, Monday through Friday except holidays. You may download forms from our Website at [www.mdt.mt.gov](http://www.mdt.mt.gov).**

MDT attempts to provide accommodations for any known disability that may interfere with a person participating in any service, program or activity of the Dept. Alternative accessible formats of this information will be provided upon request. For further information call (406) 444-7270 or TTY (800) 335-7592, or by calling Montana Relay at 711

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By cooperative agreement, the Montana Department of Transportation exchanges fuel tax information with other tax collecting agencies.

## Definitions

**Agricultural Use:** The use of gasoline and/or clear diesel, by a person who earns income while engaging in the business of farming or ranching and who files farm/ranch income reports for tax purposes as required by the Internal Revenue Service.

**Bulk Delivery:** Bulk delivery is the placing gasoline or diesel in storage or containers. The term does not mean gasoline or diesel delivered into the supply tank of a motor vehicle.

**Bulk Delivery Invoice:** An invoice issued by a dealer for the purchase of fuel in storage. *Invoices changed or altered in any way must be voided and a new invoice issued by the dealer. If any information is missing, contact your dealer. If the name on the invoice is not the same as the applicant, an explanation is required.*

**Bulk Storage:** Bulk storage is a container, except for the supply tank of a motor vehicle or any combustible engine, which holds any fuel for storage.

**Cardrol or Keylock:** A unique device intended to allow access to a fuel dealer's unattended pump or dispensing unit for the purpose of delivery of fuel to an authorized user of the unique device. *The statement for Keylock/Cardrol may be prepared as frequently as deemed necessary, but one statement must be issued at least every 30 days - ARM 18.15.419*

**Farmer or Rancher:** Farmer or Rancher is a person who earns a living raising livestock, dairy, poultry, fruit and agricultural commodities. The term may also include a person that cultivates and grows orchards or earns a living raising fish, fur-bearing animals, horticultural commodities or a feed yard for the fattening of cattle.

**Gross Earned Income:** This includes income that you receive from working for another person (wages), and the income, *before expenses*, that is earned when you are working for yourself or as a partner. *You may find the Gross Income on your Sch. C, Sch. E, Form 4835, Sch. D, Form 4797, and Sch. F or Federal Farm Schedule.* Earned income does not include passive income such as interest, dividends, capital gains, etc.

**Gross Non-AG Income:** This is income you receive for non-agricultural activity. Such as: Custom hire, fuel tax refunds, real estate rental, pasture/farm rental (unless you materially participate, and file taxes that show you materially participate), equipment rental, etc.

## Bulk Invoice Requirements

**All items must be filled out at the time of purchase. Any changes or corrections on an invoice will not be accepted.** Invoices changed or altered in any way must be voided and a new invoice issued by the dealer. If any information is missing, contact your dealer. **If the name on the invoice is not the same as the applicant, an explanation is required.**

1. Name and address of seller;
2. Name of purchaser;
3. Complete date of delivery or purchase;
4. Type of fuel;
5. Number of gallons purchased;
6. Price per gallon or total amount of sale;
7. Unit number of the vehicle and/or
8. Identification of the equipment or bulk storage that the gasoline or special fuel is placed into if it is fueled from other than a cardlock. Examples include, but are not limited to, fuel cans, slip tanks, tractors or bobcats.
9. Any person who requests a refund or credit of motor fuel tax must have satisfactory evidence that the motor fuel tax was included in the total price paid. Examples: All taxes included in the price or break down of taxes charged, etc.

**NOTICE: Invoices must be submitted within thirty-six (36) months of the date of purchase.**

## Agricultural Qualification Worksheet

*You do not need to mail in with your application*

**Line 1-5:** In the blank lines of Columns A & B on the worksheet, enter the dollar amount of your total Gross NON-Ag Earned Income and your total Gross earned Ag-income, from your most recent Federal or State income tax return.

**Line 6:** Total Columns A & B.

**Line 7-8:** See instruction below.

**Line 9:** Divide line 8 by line 7. If less than 30%, you are not eligible for a refund under this option, please contact 406-444-7270 for other possible available options. If 30% or greater, transfer the percentage (%) to line 1 of Schedule A. Use the highest percentage from the previous 3 years.

|   | Column A                                    | Column B                       |
|---|---|--------------------------------|
|   | Total Gross<br>NON-AG<br>Earned<br>Income   | Total Gross<br>AG Income       |
| <b>1. Wages, Salaries, Tips, etc.</b>   | \$  | XXXXXXXXXX                     |
| <b>2. Gross Business Income – Schedule C</b>  | \$  | XXXXXXXXXX                     |
| <b>3. Supplemental Gains – Form 4797<br/>(Gains on Livestock Sold only)</b>                   | XXXXXXXXXX                                  | \$                             |
| <b>4. Rent, Partnership, S-Corp, etc. Gross Income – Schedule E or<br/>Form 4835</b>          | Income from<br>schedule E<br>\$             | Income from form<br>4835<br>\$ |
| <b>5. Gross Farm Income – Schedule F<br/>(Custom Hire and Fuel Refunds are non-ag income)</b> | Custom hire & all<br>fuel tax refunds<br>\$ | \$                             |
| <b>6. TOTAL COLUMNS</b>   | \$  | \$                             |
| <b>7. Total Gross Earned Income = Column A + Column B (line 6)</b>                            | \$  |                                |
| <b>8. Total Gross Earned Ag Income = Column B (line 6)</b>                                    | \$  |                                |
| <b>9. Percentage of Ag Income = Line 8 divided by Line 7</b>                                  | %   |                                |

## Refund Application Form Instructions – MF-27A

**STEP 1:** Start by filling out Schedule A. You can get your agricultural percentage by filling out the qualification worksheet, which is on page 5. The worksheet is not part of the application; therefore, you may keep this for your records.

**STEP 2:** Fill out the following lines on the application page of MF-27A form (page 8).

1. **Applicants Name (Last, First, MI) or Trade Name:** Enter the name of the individual or business who is applying for the refund. If name on the invoices is different from the name on the application, an explanation is required.
2. **SSN or Tax ID:** Enter the social security number (SSN) if applicant is an individual; if the applicant is a corporation or partnership, enter your Federal tax identification number.
3. **Occupation:** Enter business activities of applicant.
4. **Phone Number (Required):** Enter a daytime phone number where applicant can be reached, in case additional information is needed to process application.
5. **Mailing address:** Enter address where checks and any correspondence should be mailed. Our mail cannot be forwarded, so if you will be temporarily away, please give us your temporary address.
6. **Spouse's Name (Last, First, MI):** Enter spouse's name, it is required if the applicant filed a joint individual income tax return and is applying for an agricultural refund.
7. **Spouse's SSN or Tax ID:** Enter spouse's social security number; it is required if the applicant filed a joint individual income tax return and is applying for an agricultural refund.
8. **Gasoline total:** Enter the total amount requested for refund of gasoline from page 9, line 6.
9. **Diesel total:** Enter the total amount requested for refund of diesel from page 9, line 6.
10. **Total Refund amount:** Add the totals for Gasoline and Diesel and enter that amount here.
11. **Paid Preparer Information:** To be filled out ONLY if you use a paid preparer.
12. **Applicant's signature:** Applicant's signature or authorized representative. *Must be original signature. Stamped or photocopies will be returned as missing information.*
13. **Date:** Date applicant signed the application.

## SECURE FILE TRANSFER SERVICE INSTRUCTIONS

The Montana Department of Administration provides a file transfer service to share files between state employees and external entities.

You can share files with state employees using this service.

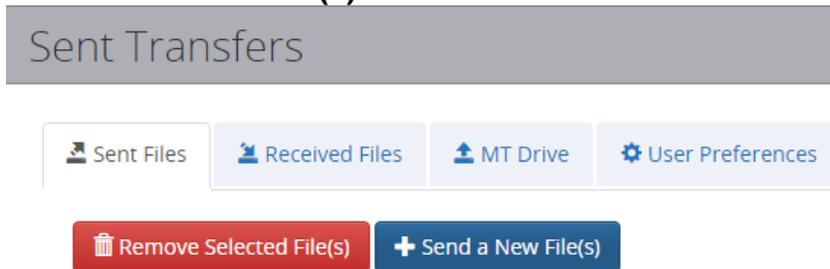
### Sending Files to a State Employee

If you need to send files to a state employee:

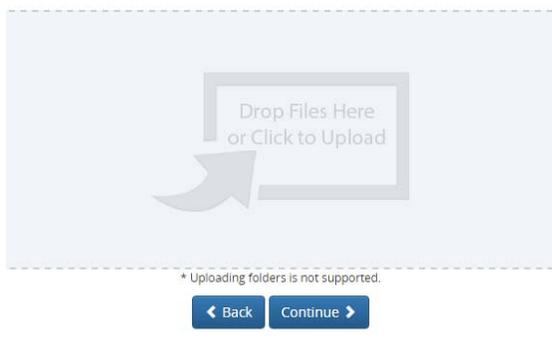
1. Go to the following web page:  
<https://epass.mt.gov>
2. Select Login using ePass Montana  
\*If this is your first time using the service, you can **Create an ePass Account**
3. At the “Welcome to the ePass Montana Dashboard” screen choose File Transfer Service (you may have to scroll down to under “Add a Service?” on the right side to find File Transfer Service. After using the File Transfer Service, it will display under the “Your Services” section)



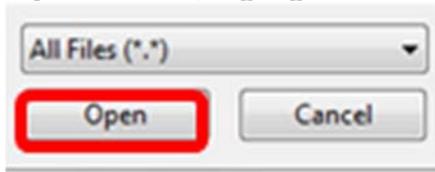
4. Click **Send a New file(s)**



5. **Drag and drop files** to the window or click “Drop Files Here or Click to Upload” to browse.



6. If you browse, highlight desired files and click **Open**



7. Select **Continue**



**NOTE:** If you go **Back**, you will lose the selected files and will have to select any/all files again. Files are not committed until you choose **Continue**

8. Select the option **State Employee or ePass Montana Customer** under General



State Employee or ePass Montana Customer

9. Search for a state employee or enter an email ([degibson@mt.gov](mailto:degibson@mt.gov)) to send to. Press **Send** to complete the transfer. Files remain available for download for 15 days.



### Agricultural Standard Refund Application

Refund of Montana Diesel or Gasoline Tax

Schedule A must be attached

SSN \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ -OR- Fed ID#: \_\_\_\_\_ - \_\_\_\_\_ Time period for Refund: \_\_\_\_\_ to \_\_\_\_\_

Applicants Name: \_\_\_\_\_ Occupation: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_

State: MT Zip Code + 4: \_\_\_\_\_ - \_\_\_\_\_ Phone Number: (406) \_\_\_\_\_ - \_\_\_\_\_

Required if applicant filed a joint individual income tax return and applying for an agricultural standard refund.

Spouse's Name (Last, First, MI): \_\_\_\_\_

SSN or Tax ID#: \_\_\_\_\_

#### REQUESTED AMOUNTS ONLINE VERSION

Gasoline

Diesel

\$ \_\_\_\_\_

\$ \_\_\_\_\_

Total Refund \$ \_\_\_\_\_

Upon filing this application, the Montana Department of Transportation may verify the applicant's income from whatever sources are allowable by law. On Agricultural Standard Refunds, income tax returns will be reviewed to verify eligibility. **If you are a Corporation, LLC, Partnership, etc. send a copy of your income taxes with this application to avoid delays in processing. Taxes can be emailed to Debbie at [degibson@mt.gov](mailto:degibson@mt.gov) using the secure file server, see instructions to send secure files.**

#### Original Signature required for processing application

I/we hereby declare and represent that the above and foregoing is a true and correct statement showing all diesel, gasoline and/or gasohol purchased and entirely consumed by the applicant; that the invoices included are the original purchase invoices received at the time of purchase and delivery; that said claim against the State of Montana is just and wholly unpaid.

Paid Preparer's Name: \_\_\_\_\_ Phone Number: (406) \_\_\_\_\_ - \_\_\_\_\_

Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_

State: MT Zip Code + 4: \_\_\_\_\_ - \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Check the box if you DO NOT want the Department of Transportation to discuss this application with the preparer above?

Check the box if you DO NOT want the Department of Transportation to obtain tax returns from the preparer above?

Applicant's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Spouse's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

| FOR OFFICE USE ONLY                  |   |
|--------------------------------------|---|
| File Location: _____                 | Entered: _____/_____/_____ - _____      |
| Processed: _____/_____/_____ - _____ | Pre-Approved: _____/_____/_____ - _____ |
| Approved: _____/_____/_____ - _____  | Postmark Date: _____/_____/_____        |

## Schedule A – Agricultural Standard Refund

A portion of Montana tax on bulk and Keylock/Cardrol purchases of clear diesel and gasoline is refundable based on percent of gross earned agricultural income.

Applicant's Name and/or any DBA's used

1. Percentage agricultural income: (required – see Worksheet)

%

If less than 30%, you do not qualify for a standard agricultural refund, you may qualify under a different refund type. Contact the Department of Transportation at 406-444-7270.

**Standard Deduction:**

If percent of gross earned agricultural income is:  
 50% or greater ----- enter .60  
 40% to 49% ----- enter .50  
 30% to 39% ----- enter .40  
 0% to 29% --- You do not qualify for this refund

|   | Gasoline   | Clear Diesel |
|---|------------|--------------|
| <b>2. Gallons subject to refund, totals from pages 9 &amp; 10</b>                   |            |              |
| <b>3. Standard deduction from above</b>   | %          | %            |
| <b>4. Gallons subject to refund (multiply line 2 by line 3)</b>                     |            |              |
| <b>5. Montana fuel tax paid per gallon</b>  | <b>.27</b> | <b>.2775</b> |
| <b>6. Total refund amount (multiply line 4 by line 5)</b><br>Write totals on page 7 | \$         | \$           |



