

Supplier Schedule

- 1 Motor fuel that is received by below the rack transport in which the Alabama excise tax was paid and is added back to terminal storage. This is a credit because the tax will be due once the product crosses the rack. (Motor fuel blendable products in which the excise tax was paid should be included on this schedule to be credited for the tax.)
- 2 Motor fuel that is received by below the rack transport without the Alabama excise tax paid and that is added back to terminal inventory. (When using this schedule, you should also add the same information to Schedule 1 to offset any tax due because the tax will be due once the product crosses the rack.)
- 2B Motor fuel blendable products that are received by below the rack transport without the Alabama excise tax paid that is blended with terminal inventory motor fuel. (When using this schedule, you should also add the same information to Schedule 1 to offset any tax due because the tax will be due once the product crosses the rack.) (Ex. Alabama tax-free biodiesel imported from out-of-state bulk storage and blended with diesel that is held in terminal inventory.)
- 5A Motor fuel sold at the terminal rack to unlicensed customers. Customers who do not have an Alabama Supplier, Distributor (Alabama rack sales), Exporter or Importer license (out-of-state rack sales). (If sale is at an Alabama terminal, then the origin state would be Alabama. If the sale takes place at a terminal in another state, then the origin state would be the other state.) (If aviation and jet fuel are sold to a customer not licensed as a Aviation fuel purchaser or Supplier, then those gallons should be listed on this schedule and the gasoline and diesel rates will be charged.)
- 5C Gasoline and diesel fuel sold at the terminal rack to licensed customers. Customers who have an Alabama Supplier, Distributor (Alabama rack sales), Exporter, or Importer License (out-of-state rack sales). (If sale is at an Alabama terminal, then the origin state would be Alabama. If the sale takes place at a terminal in another state, then the origin state would be the other state.) (Sales of aviation gasoline or jet to licensed Aviation Fuel Purchasers or Suppliers should be listed on Schedule 10B so the aviation gasoline and jet fuel rates apply.)
- 5Q Motor fuel removed for own use. The terminal supplier is removing product from its terminal storage at the rack and taking possession of the product at the rack.(If removal is at an Alabama terminal, then the origin state would be Alabama. If the sale takes place at a terminal in another state, then the origin state would be the other state.)
- 7A Sales at the terminal rack to licensed Alabama Exporters or Suppliers in which the destination state tax is collected and remitted by the licensed supplier selling the motor fuel at the rack. (This schedule is a deduction. You would show the gallons on 5C and 7A for gasoline and diesel so no Alabama tax will be due. You would show the gallons on 10B and 7A for aviation and jet fuel so no Alabama tax will be due.)
- 7C Other

- 8 Terminal rack sales to licensed US government entities. (This schedule is a deduction.)
- 9C Terminal rack sales to licensed school systems including city and county boards of education, private schools, and church schools for K-12 curriculum. (This schedule is a deduction.)
- 9E Terminal rack sales to licensed city and county governing bodies. (This schedule is a deduction.)
- 10A Terminal rack sales to other licensed exempt entities as listed in the law and that are not included in Schedule 8, 9C, or 9E. (This schedule is a deduction.)
- 10B Gallons of aviation fuel sold to a licensed Aviation Fuel Purchaser or Supplier at the aviation gasoline or jet fuel rate.
- 10Z Gasoline blendstocks when sold to a.) a licensed supplier or b.) a person who will not be using the blendstocks in the manufacture of gasoline or as a motor fuel, as evidenced by the exemption certificate prescribed under regulations promulgated under Section 4081, Title 26 of the United States Code. (This schedule is a deduction.)
- 11A Diversions out of Alabama. Fuel diversion is processed by the supplier selling the fuel at the terminal rack.
- 11B Diversions into Alabama with no Alabama excise tax paid. Fuel diversion is processed by the supplier selling the fuel at the terminal rack.

Notes:

A supplier license covers all other licenses. This means that a licensed supplier can act as a licensed distributor, importer, exporter, and aviation fuel purchaser. When acting as another licensee type, the licensed supplier would receive all the benefits of purchasing at below the rack including discount and tax deferral.

A licensed supplier dealing in below the rack activity as an importer and/or exporter will also be required to file the importer and/or exporter returns.

A two-party exchange must occur above the rack and the terminal operator must show the exchange of product on the terminal operator report from the licensed supplier who holds inventory in the terminal to the licensed supplier acting as the exchange partner. The licensed supplier who received the motor fuel in the exchange would report the motor fuel on their supplier return when the fuel is sold at the terminal rack.

Above the rack transactions are not reportable on the supplier return unless one of the parties involved in the transaction is not a licensed supplier. For example, if a licensed Alabama supplier sells motor fuel within the pipeline in Alabama to a company not licensed as an Alabama supplier, then the motor fuel excise must be charged to the unlicensed company. This transaction would be reported on Schedule 5A with the TCN# being T-00-AL-0000 and the BOL# being "0" since all fields must be completed.

Supplier schedules 5A, 5C, and 5Q are used to report terminal rack removals. For Alabama terminal rack removals, the origin state should show Alabama. For out-of-state terminal rack removals, the origin state should show the other state.

An Alabama licensed supplier is automatically designated as a permissive supplier for any out-of-state terminal rack sales in which the destination of the motor fuel is Alabama. A licensed supplier would not have a separate permissive supplier license. A company licensed as a permissive supplier would only be dealing in out-of-state terminals and would collect the Alabama motor fuel excise tax on product with the destination of Alabama.

A licensed supplier acting as a below the rack exporter and takes possession of its own product at the rack for export can use schedule 5Q and 7A so the Alabama excise tax is not paid. The supplier is responsible for remitting the other state's tax for the exported motor fuel.