



E-588F Instructions Claim for Refund Motor Vehicle Lease or Subscription Taxes

General Instructions

- Use blue or black ink to complete this form.
- This form is for use by taxpayers who have overpaid Motor Vehicle Lease or Subscription Taxes.

In general, the statute of limitations for obtaining a refund of an overpayment is the later of three years after the due date of the return or two years after payment of the tax. For a claim for refund filed within the statute of limitations, the Department must take one of the following actions within six months after the date the claim for refund is filed: (1) send the taxpayer a refund of the amount shown due on the claim for refund; (2) adjust the amount of the refund shown due and send the taxpayer a refund of the adjusted amount; (3) deny the refund and send the taxpayer a notice of proposed denial; or (4) request additional information from the taxpayer. If the Department does not take one of the actions within six months, the inaction is considered a proposed denial of the requested refund. A taxpayer who objects to a proposed denial of a refund may request a Departmental review of the proposed action by filing a Form NC-242, Objection and Request for Departmental Review within the time provided in N.C. Gen. Stat. § 105-241.11. If the Department selects a claim for refund for examination, the taxpayer has the same rights that the taxpayer would have during an examination of a return by the Department.

If the Department determines that a claim for refund was not filed within the statute of limitations, the refund request will be denied and the Department will issue a notice of denied refund. If the taxpayer disagrees with the Department's determination, the taxpayer may file a petition for a contested tax case at the Office of Administrative Hearings ("OAH"). If the taxpayer elects to file a petition with OAH and the court ultimately finds that the Department's determination that the statute of limitations for requesting a refund had expired is incorrect, the case will be returned to the Department for further consideration. The Department's notice of denied refund will provide the appeal procedures a taxpayer must follow to contest the Department's determination. If a taxpayer elects not to file a petition with OAH, the Department's determination will be final.

- Indicate the basis for the refund request and attach documentation to support the request.

If you have questions about how to complete this form, call the Department toll-free at 1-877-252-3052.

Line by Line Instructions

Line 1 - Enter the amount of tax paid to the Department for the period.

Line 2 - Enter the correct amount of tax due for the period.

Line 3 - Subtract the tax on Line 2 from Line 1 and enter the difference. This is the total amount of refund requested.

Line 4 - Allocate the amount of 3.00% Tax, 5.00% Tax and 8.00% Tax included on Line 4 in the tax column that corresponds with the applicable rate. The sum of the 3.00% Tax, 5.00% Tax and 8.00% Tax amounts must equal the amount on Line 3 Amount of Refund Requested.