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NORTH
CAROLINA
DEPARTMENT
OF REVENUE

Excise Tax Division
North Carolina Department of Revenue
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Important Notice: Regarding Filing Penalties on Informational Returns for Motor Fuels and Alternative Fuels

During the 2018 legislative session, Session Law 2018-5 modified N.C.G.S. 105-236 by increasing the allowable penalties for informational returns required to be filed by Article 36C (Gasoline, Diesel, and Blends) and Article 36D (Alternative Fuel).

Previously, the law provided for a \$50.00 penalty for failure to file an informational return. Effective June 12, 2018, N.C.G.S. 105-236(a)(10), the penalty for a failing to file a required information return is fifty dollars (\$50.00) per day, up to a maximum penalty of one thousand dollars (\$1,000.00). Session Law 2018-5 also added N.C.G.S. 105-236(a)(10)(d) which added a two hundred dollar (\$200.00) penalty for failure to file an informational return in the format prescribed by the Secretary.

Changes to penalties for failure to file informational returns under Article 36C and Article 36D affected the following returns: (1) GAS-1204, Motor Fuels Terminal Operator; and (2) GAS-1301, Motor Fuels Transporter.

The Excise Tax Division will be implementing these statutory penalties effective with the November 2020 motor fuels tax returns, which are due by December 22, 2020.

A taxpayer may request a waiver of an informational return penalty by submitting Form NC-5501, *Request for Waiver of an Informational Return Penalty*. Form NC-5501 is a new form developed by the Department. Form NC-5501 is available on the Department's website at <https://www.ncdor.gov/documents/request-waiver-informational-return-penalty>. **For a waiver of informational return penalties, do not submit Form NC-5500, *Request to Waive Penalties***

A request to waive an informational return penalty **will not be considered** a penalty waiver for purposes of good compliance as described in the Department's [Penalty Waiver Policy](#).

These forms will be available no later than November 1, 2020 on the Department's website at the following address: <https://www.ncdor.gov/taxes-forms/motor-fuels-tax/motor-fuels-tax-forms#returns>

Questions regarding this notice may be directed to the Excise Tax Division at telephone number (919) 707-7500 or toll free (877) 308-9092.

If a written response would require the Department to interpret the law in a manner not specifically addressed in a statute, regulation, or Departmental or IRS publication, the person requesting the written response must follow the procedure (and pay the required fee) for requesting a private letter ruling available on the Department's website at the following address:
<https://www.ncdor.gov/documents/nc-481-request-written-determination>.