



## North Carolina Department of Revenue

Michael F. Easley  
Governor

Reginald S. Hinton  
Secretary

February 2008

### Notice of Mandatory Electronic Filing Effective July 1, 2008

The North Carolina Department of Revenue, Motor Fuels Tax Division (Division), implemented electronic filing of tax returns on October 2, 2006. The Secretary of Revenue, in accordance with North Carolina General Statute (N.C.G.S.) 105-449-90(a), has designated that electronic filing of motor fuel tax returns will become mandatory effective July 1, 2008 for all taxpayers who file returns that have schedule data information. These returns are:

<b>Form #</b>	<b>Form Name</b>	<b>Form #</b>	<b>Form Name</b>
Gas-1202	Supplier Return	Gas-1252	Alternative Fuels Provider Return
Gas-1204	Terminal Operator Return	Gas-1259	Backup Tax Return
Gas-1210	Kerosene Claim for Refund	Gas-1264	Fuel Alcohol/Biodiesel Provider Return
Gas-1219	Importer Return	Gas-1288	Kerosene Supplier Return
Gas-1239	Bulk Plant Exporter Return	Gas-1301	Transporter Return

Returns which are mandated to be filed electronically shall be deemed "not filed" unless filed in the proper form and shall be subject to the "failure to file return" penalty (5% per month, maximum 25% of the tax due, minimum \$5.00) pursuant to N.C.G.S. 105-236(3) or the "failure to file informational return" penalty (\$50.00) pursuant to N.C.G.S. 105-236(10)(c). The "failure to file return" penalty as imposed by N.C.G.S. 105-236(3) applies to all returns except Gas-1204 and Gas-1301.

Taxpayers who file "No Activity" returns may still file paper returns, but are encouraged to file these returns electronically. This mandate only affects taxpayers who file returns with schedule data.

Taxpayers who file returns that are not affected by this mandate are encouraged to file their returns electronically. This includes taxpayers who file requests for refunds.

Suppliers, Terminal Operators, and Transporters have the option of filing their returns by EDI (Electronic Data Interchange) or by E-File. You may obtain filing instructions for both EDI and E-File by accessing our website at [www.dornc.com/electronic/index.html#businesses](http://www.dornc.com/electronic/index.html#businesses). All other account types will use the web application.

Access codes are required to initially set up your account. Access Code letters were previously sent to all taxpayers, however, you may call the Division to obtain your access code. Taxpayers who are required to file electronically must also make payments electronically pursuant to N.C.G.S. 105-241(a) and (b)(2a). Payments may be made by bank draft, debit card, MasterCard, or Visa.

The Division understands that there may be taxpayers who possibly could experience difficulties due to this mandate. There are provisions in place to consider requests to waive this requirement when a filer is unable to comply with the electronic filing mandate. All waivers must have approval from the Division and must be approved annually. Please submit a letter detailing the reason for your waiver request to the address below, Attention Liz Watson. You will receive written notification upon approval or denial of your waiver request.

Questions regarding this notice may be directed to the Motor Fuels Tax Division at (919) 733-3409 or toll free (877) 308-9092.