

DEPARTMENT OF STATE REVENUE

DEPARTMENTAL NOTICE #29

SEPTEMBER 2008

Sales Tax Deduction Limit for E-85 Fuel

This document does not meet the definition of a statement required to be published in the Indiana Register under IC 4-22-7-7. The purpose of this document is inform taxpayers of the limitation on the amount of the sales tax deduction that may be claimed for E-85 fuel during the fiscal year beginning on July 1, 2008, and ending on June 30, 2009.

SUBJECT: Limitation on Sales Tax Deductions Claimed for E-85 Fuel for Fiscal Year 2009

EFFECTIVE DATE: July 1, 2008

REFERENCE: IC 6-2.5-7- 5; IC 6-2.5-7-5.5; and IC 15-4-10-24.5

INTRODUCTION

IC 6-2.5-7-5.5 requires the Department to annually publish in the Indiana Register a notice of the amount of funds available for the reimbursement required under IC 15-4-10-24.5 (corn market development account).

LIMITATION

IC 6-2.5-7-5 provides a sales tax deduction of \$.18 per gallon of E-85 fuel sold at retail by the retail merchant. The amount of the deduction is limited to the amount of money available from the corn market development account.

The amount of sales tax deductions that may be claimed during FY 2009 for all taxpayers in the order in which they are received is limited to \$500,000. If additional funds do become available from the corn market development account, additional deductions will be granted in the order in which they are received by the Department. If the amount of deductions claimed exceeds the limitation, the deduction will be denied.

A handwritten signature in black ink that reads "John Eckart". The signature is written in a cursive style with a large, looping initial "J".

John Eckart
Commissioner