

Diesel fuel excise tax refund information

Applying for diesel fuel excise-tax refunds

Due to a change in federal law, farmers and ranchers now must pay federal excise tax up front when they buy clear diesel fuel for off-road use. Farmers who use clear diesel fuel off-road may apply quarterly for a refund through the Internal Revenue Service.

To apply for the tax refund, submit [Form 8849](#) (PDF, 91 KB), accompanied by [Schedule 1](#) (PDF, 70 KB). It is important to note that the IRS will only process refunds filed during the first quarter following the last quarter included in the claim. For example, a claim for the quarters consisting of July through September and October through December must be filed between the following January 1 and March 31. The threshold for a quarterly refund is \$750 in excise tax paid.