

**Schedule 3
(Form 8849)**

(Rev. January 2023)
Department of the Treasury
Internal Revenue Service

**Certain Fuel Mixtures
and the Alternative Fuel Credit**

Attach to Form 8849. **Don't** file with any other schedule.
Go to www.irs.gov/Form8849 for instructions and the latest information.

OMB No. 1545-1420

Name as shown on Form 8849	EIN or SSN	Total refund (see instructions) \$
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Caution: For instructions on how to make a one-time claim for the alternative fuel credit for the first, second, and third calendar quarters of 2022, see the instructions and Notice 2022-39. For the fourth calendar quarter of 2022 and later, the alternative fuel credits must first be taken on Form 720, Quarterly Federal Excise Return, as a credit against your alternative fuel or compressed natural gas (CNG) tax liability. If you have this tax liability and you didn't make the claim on Form 720, Schedule C, as a credit against that liability, you must first file Form 720-X, Amended Quarterly Federal Excise Tax Return, before Schedule 3 (Form 8849) can be used for the refund. You can't claim any amounts on Form 8849 that you claimed (or will claim) on Form 720, Schedule C; Form 720-X; or Form 4136, Credit for Federal Tax Paid on Fuels or Form 8864, Biodiesel, Renewable Diesel, or Sustainable Aviation Fuels Credit.

Claimant's registration no.

Enter your registration number, including the prefix. Line 3 claimants must enter their AL or AM registration number.

Period of claim: Enter month, day, and year in MMDDYYYY format.

From

To

1 Reserved for future use

Reserved for future use

	(a) Rate	(b) Gallons of alcohol	(c) Amount of claim Multiply col. (a) by col. (b).	(d) CRN
a Reserved for future use				
b Reserved for future use				

2 Biodiesel, Renewable Diesel, or Sustainable Aviation Fuel (SAF) Mixture Credit

Biodiesel or renewable diesel mixtures. Claimant produced a mixture by mixing biodiesel with diesel fuel, or produced a mixture by mixing renewable diesel with liquid fuel (other than renewable diesel). The biodiesel used to produce the biodiesel mixture met ASTM D6751 and met EPA's registration requirements for fuels and fuel additives. The renewable diesel used to produce the renewable diesel mixture was derived from biomass, met EPA's registration requirements for fuels and fuel additives, and met ASTM D975, D396, or other equivalent standard approved by the IRS. The biodiesel or renewable mixture was sold by the claimant to any person for use as a fuel or was used as a fuel by the claimant. **Sustainable aviation fuel (SAF) mixtures.** Claimant produced a qualified mixture by mixing SAF with kerosene. The qualified mixture was produced by the claimant in the United States, such mixture was used by the claimant (or sold by the claimant for use) in an aircraft, such sale or use was in the ordinary course of a trade or business of the claimant, and the transfer of such mixture to the fuel tank of such aircraft occurred in the United States. The SAF used to produce the qualified mixture is the portion of liquid fuel that isn't kerosene that (i) either (A) meets the specifications of one of the ASTM D7566 Annexes, or (B) meets the specifications of ASTM D1655 Annex A1, (ii) isn't derived from coprocessing an applicable material (or materials derived from an applicable material) with a feedstock that isn't biomass, (iii) isn't derived from palm fatty acid distillates or petroleum, and (iv) has been certified in accordance with section 40B(e) as having a lifecycle greenhouse gas emissions reduction percentage of at least 50 percent. **For all claims.** Claimant has attached the appropriate certificates and, if applicable, appropriate reseller statements. Claimant has no reason to believe that the information in the certificate or statement is false. See the instructions for additional information and requirements.

	(a) Rate	(b) Number of gallons sold or used	(c) Amount of claim Multiply col. (a) by col. (b)	(d) CRN
a Biodiesel (other than agri-biodiesel) mixtures	\$1.00		\$	388
b Agri-biodiesel mixtures	1.00			390
c Renewable diesel mixtures	1.00			307
d Sustainable aviation fuel mixtures (see instructions)				440

3 Alternative Fuel Credit

	(a) Rate	(b) Gallons, or gasoline or diesel gallon equivalent	(c) Amount of claim Multiply col. (a) by col. (b)	(d) CRN
a Liquefied petroleum gas (LPG) (see instructions)	\$.50		\$	426
b "P" Series fuels	.50			427
c Compressed natural gas (CNG) (see instructions)	.50			428
d Liquefied hydrogen sold or used before 2023	.50			429
e Fischer-Tropsch process liquid fuel from coal (including peat)	.50			430
f Liquid fuel derived from biomass	.50			431
g Liquefied natural gas (LNG) (see instructions)	.50			432
h Liquefied gas derived from biomass	.50			436
i Compressed gas derived from biomass	.50			437

Send this schedule with completed Form 8849 to: Internal Revenue Service, P.O. Box 312, Covington, KY 41012-0312; on the envelope write "Fuel Mixture Claim."

Section references are to the Internal Revenue Code, unless otherwise noted.

Future Developments

For the latest information about developments related to Schedule 3 (Form 8849) and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form8849.

What's New

Sustainable aviation fuel. The Inflation Reduction Act of 2022 (the Act) provides the new sustainable aviation fuel mixture credit (SAF) for sales or uses after 2022, and the credit is added as line 2d.

Liquefied hydrogen repeal. The Act repeals the credit for liquefied hydrogen for sales or uses after 2022. Use line 3d only for claims for sales or uses occurring before January 1, 2023, and within the statute of limitations for such claims.

Definition of renewable diesel and treatment of kerosene. The Act made changes to the definition of renewable diesel and the treatment of kerosene, effective for fuel sold or used after 2022. Renewable diesel no longer includes fuel derived from biomass that meets the requirements of a Department of Defense specification for military jet fuel or an American Society of Testing Materials (ASTM) specification for aviation turbine fuel, and kerosene is no longer treated as diesel fuel for purposes of the renewable diesel mixture credit.

Reminders

Section 6426 credit extensions:

- **Alternative fuel.** The alternative fuel credits was retroactively extended for fuel sold or used in 2022.

One-Time Claims for the First, Second, and Third Calendar Quarters of 2022. The credit for alternative fuels, which expired at the end of 2021, was retroactively reinstated for 2022. You can make a one-time claim for sales or uses of these fuels in the 2022 first, second, and third calendar quarters. You must combine claims for all three calendar quarters on the same Schedule 3 (Form 8849) and file the claim between October 13, 2022, and on or before April 11, 2023. For information on how to make a one-time claim, see Notice 2022-39 and *2022 One-Time Alternative Fuel Credit Claims*, below.

Reducing your excise tax liability. For federal income tax purposes, reduce your section 4081 excise tax liability by the amount of excise tax credit allowable under section 6426(c) and your section 4041 excise tax liability by the amount of your excise tax credit allowable under section 6426(d), in determining your deduction for those excise taxes or your cost of goods sold deduction attributable to those excise taxes.

Schedule 3 (Form 8849) can be filed electronically. For more information on filing electronically, visit the IRS *e-file* website at www.irs.gov/eFile.

Purpose of Form

Use Schedule 3 (Form 8849) to make claims for sales or uses of biodiesel mixtures, renewable diesel mixtures, sustainable aviation fuel mixtures, and alternative fuels.

General Instructions

2022 One-Time Alternative Fuel Credit Claims

You can make a one-time claim for sales or uses of alternative fuels for the first, second, and third calendar quarters of 2022. To submit the one-time claim, you must file Schedule 3 (Form 8849). The one-time claim rule doesn't apply to income tax credits for alternative fuels. You should continue to make those claims on Form 4136.

If you filed "protective" or anticipatory claims for these credits, you must refile your claims in accordance with Notice 2022-39. The IRS won't treat as perfected any such protective or anticipatory claims previously filed with the IRS that aren't timely supplemented in accordance with Notice 2022-39.

You must follow the procedures below to make a one-time claim on Schedule 3 (Form 8849).

- Enter amounts for alternative fuels on line 3, as appropriate.
- Submit a single Schedule 3 (Form 8849) for all three calendar quarters; the IRS won't process multiple submissions from a claimant.
- You must file your one-time claim by April 11, 2023. The IRS won't process any one-time claims received after that date.
- Combine claims for all three quarters on the same Schedule 3 (Form 8849).

Coordination With Excise Tax Credit

Only one credit may be taken for any one gallon of alternative fuel. If any amount is claimed (or will be claimed) for any gallon of biodiesel mixture, renewable diesel mixture, or alternative fuel on Form 720, Form 720-X, Form 8864, or Form 4136, then a claim can't be made on Form 8849, Claim for Refund of Excise Taxes, for that gallon of biodiesel mixture, renewable diesel mixture, or alternative fuel.

Excise Tax Liability

Persons who blend an untaxed liquid with taxable fuel to produce a taxable fuel mixture outside the bulk transfer terminal system must pay the excise tax on the volume of the untaxed liquid in the mixture.

Use Form 720 to report these taxes. You also must be registered with the IRS as a blender (M registrants). Line 3 claimants must also have an AL registration number. See Form 637, Application for Registration (For Certain Excise Tax Activities).

How To File

Attach Schedule 3 (Form 8849) to Form 8849. If you aren't filing electronically, on the envelope write "Fuel Mixture Claim" and send it to the IRS at the address at the bottom of page 1.

Specific Instructions

Line 1

These lines are reserved for future use.

Line 2a-c. Biodiesel and Renewable Diesel Mixture Credit

Claimant. The person that produced and sold or used the mixture in their trade or business is the only person eligible to make this claim. The credit is based on the gallons of biodiesel or renewable diesel in the mixture.

The biodiesel used to produce the biodiesel mixture must meet ASTM D6751 and meet the Environmental Protection Agency's (EPA) registration requirements for fuels and fuel additives under section 211 of the Clean Air Act. The renewable diesel used to produce the renewable diesel mixture must be derived from biomass, meet the EPA's registration requirements for fuels and fuel additives under section 211 of the Clean Air Act, and meet ASTM D975, D396, or other equivalent standard approved by the IRS.



Renewable diesel doesn't include any fuel derived from coprocessing biomass (as defined in section 45K(c)(3)) with a feedstock that isn't biomass.

Claim requirements. 1. The biodiesel mixture credit may not be claimed for biodiesel produced outside the United States for use as a fuel outside the United States. The United States includes any possession of the United States. The claimant has a certificate from the producer. See *Certificate* below for details.

2. The claim must be for a biodiesel or renewable diesel mixture sold or used during a period that's at least 1 week.

3. The claimant has a certificate from the producer. See *Certificate* below for details.

4. The amount of the claim must be at least \$200 unless the claim is filed electronically. To meet the minimum, amounts from lines 2 and 3 may be combined.

5. The claim must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year claimant's claim for a biodiesel mixture sold or used during June and July must be filed by September 30.

Note: If requirements 2–5 above aren't met, see *Annual Claims* under *Additional Information for Schedules 1, 2, and 3* in the Form 8849 instructions.

Certificate. The Certificate for Biodiesel and, if applicable, Statement of Biodiesel Reseller must be attached to the first claim filed that is supported by the certificate or statement. For the renewable diesel mixture credit, you must edit the certificate and, if applicable, statement, to indicate that the fuel to which the certificate and statement relate is renewable diesel and state the renewable diesel meets the requirements discussed earlier under *Claimant*. See Model Certificate O and Model Statement S in Pub. 510.

Line 2d. Sustainable Aviation Fuel (SAF) Mixture Credit

Claimant. The person that produced and sold (for use in an aircraft, and the transfer to the customer's fuel tank occurred in the United States) or used the mixture in their trade or business, is the only person eligible to make this claim. The credit is based on the gallons of SAF in the qualified mixture.

How to claim the credit. Only one credit may be taken for each amount of SAF. If a person claimed (or will claim) an amount of SAF on Forms 720, 4136, 8864 for a credit or payment, then a claim can't be made on Form 8849 for that same amount of SAF. The qualified mixture must be used (or sold, in the ordinary course of a trade or business, for use) in an aircraft.

The SAF credit can't be claimed for qualified mixtures produced outside of the United States or if the transfer of such mixture to the fuel tank of an aircraft occurs outside of the United States. Requirements 1 and 2 must be met only if the credit exceeds the amount of taxable fuel liability reported. Requirements 3 and 4 must be met for all claims.

1. The claim must be for a qualified mixture sold or used during a period that is at least 1 week.

2. The amount of the claim must be at least \$200. To meet this minimum, amounts from lines 2 and 3 may be combined.

3. The SAF used to produce the qualified mixture is the portion of liquid fuel that is not kerosene that (i) either (A) meets the specifications of one of the ASTM D7566 Annexes, or (B) meets the specifications of ASTM D1655 Annex A1, (ii) is not derived from coprocessing an applicable material (or materials derived from an applicable material) with a feedstock that is not biomass, (iii) is not derived from palm fatty acid distillates or petroleum, and (iv) has been certified in accordance with section 40B(e) as having a lifecycle greenhouse gas emissions reduction percentage of at least 50 percent. Applicable material means monoglycerides, diglycerides, and triglycerides, free fatty acids, and fatty acid esters. Lifecycle greenhouse gas emissions reduction percentage means the percentage reduction in lifecycle greenhouse gas emissions achieved by such fuel as compared with petroleum-based jet fuel, as defined in accordance with the most recent Carbon Offsetting and Reduction Scheme for International Aviation which has been adopted by the International Civil Aviation Organization with the agreement of the United States, or any similar methodology which satisfies the criteria under section 211(o)(1)(H) of the Clean Air Act.

4. For qualified mixtures produced with an SAF synthetic blending component (SAF that meets the qualifications of an ASTM D7566 Annex), the Certificate for SAF Synthetic Blending Component, Statement of SAF Synthetic Blending Component Reseller (if applicable), and Declaration for SAF Qualified Mixture must be attached to the first claim filed that is supported by the certificate or statement. If the certificate, statement, and declaration aren't attached to Schedule 3 (Form 8849) because they're attached to a previously filed claim on a Form 720, Schedule C, or a Form 4136, or a Form 8864, attach a separate statement with the following information.

4a. Certificate identification number.

4b. Total gallons of SAF synthetic blending component on the certificate.

4c. Total gallons claimed on Form 720, Schedule C, line 12d.

4d. Total gallons claimed on Form 4136.

4e. Total gallons claimed on Form 8864.

Line 3. Alternative Fuel Credit



The alternative fuel credit for liquefied hydrogen is terminated for sales or uses after 2022. Use line 3d only for claims for sales or uses occurring before January 1, 2023, and within the statute of limitations for such claims.

Claimant. For the alternative fuel credit, the registered alternative fueler who (1) sold an alternative fuel at retail and delivered it into the fuel supply tank of a motor vehicle or motorboat, (2) sold an alternative fuel, delivered it in bulk for taxable use in a motor vehicle or motorboat, and received the required statement from the buyer, (3) used an alternative fuel (not sold at retail or in bulk as previously described) in a motor vehicle or motorboat, or (4) sold an alternative fuel for use as a fuel in aviation is the only person eligible to make this claim.

Claim requirements. 1. The alternative fuel credit may not be claimed for alternative fuel produced outside the United States for use as a fuel outside the United States. The United States includes any possession of the United States.

2. You must be registered with the IRS.

3. The claim must be for an alternative fuel sold or used (as described above under *Claimant*) during a period that's at least 1 week.

4. The amount of the claim must be at least \$200 unless the claim is filed electronically. To meet the minimum, amounts from lines 2 and 3 may be combined.

5. The claim must be filed by the last day of the first quarter following the earliest quarter of the claimant's income tax year included in the claim. For example, a calendar-year claimant's claim for an alternative fuel sold or used during June and July must be filed by September 30.

Note: If requirements 2–5 above aren't met, see *Annual Claims* under *Additional Information for Schedules 1, 2, and 3* in the Form 8849 instructions.

Carbon capture requirement. A credit for Fischer-Tropsch process liquid fuel from coal (including peat) can be claimed only if the fuel is derived from coal produced at a gasification facility which separates and sequesters at least 75% of the facility's total carbon dioxide emissions.

Claim rates.

- CNG has a claim rate (or GGE (gasoline gallon equivalent)) of 121 cubic feet.

- Compressed gas derived from biomass has a claim rate (or GGE) of 121 cubic feet.

- LPG has a claim rate (or GGE) of 5.75 pounds or 1.353 gallons of LPG.

- LNG has a claim rate (or DGE (diesel gallon equivalent)) of 6.06 pounds or 1.71 gallons of LNG.

Example. 10,000 gallons of LPG ÷ 1.353 = 7,391 GGE x \$0.50 = \$3,695.50 claim amount.

Amount of Claim

Multiply the number of gallons or gasoline (or diesel) gallon equivalents by the rate and enter the result in the boxes for lines 2 and 3, column (c).

Total Refund

Add all amounts in column (c) and enter the result in the total refund box at the top of the first page of the schedule. See *Claim requirements*, above for each type of claim.