

TITLE 3: TAXATION
CHAPTER 16: MOTOR VEHICLE FUEL TAXES
PART 204: PETROLEUM PRODUCTS LOADING FEE - DEDUCTION - GASOLINE OR OTHER FUELS RETURNED

3.16.204.1 ISSUING AGENCY: Taxation and Revenue Department, Joseph M. Montoya Building, 1100 South St. Francis Drive, P.O. Box 630, Santa Fe NM 87504-0630
[12/31/96; 3.16.204.1 NMAC - Rn, 3 NMAC 17.5.1, 6/14/01]

3.16.204.2 SCOPE: This part applies to all distributors of petroleum products.
[12/31/96; 3.16.204.2 NMAC - Rn, 3 NMAC 17.5.2, 6/14/01]

3.16.204.3 STATUTORY AUTHORITY: Section 9-11-6.2 NMSA 1978.
[12/31/96; 3.16.204.3 NMAC - Rn, 3 NMAC 17.5.3, 6/14/01]

3.16.204.4 DURATION: Permanent.
[12/31/96; 3.16.204.4 NMAC - Rn, 3 NMAC 17.5.4, 6/14/01]

3.16.204.5 EFFECTIVE DATE: 12/31/96, unless a later date is cited at the end of a section, in which case the later date is the effective date.
[12/31/96; 3.16.204.5 NMAC - Rn, 3 NMAC 17.5.5 & A, 6/14/01]

3.16.204.6 OBJECTIVE: The objective of this part is to interpret, exemplify, implement and enforce the provisions of the Petroleum Products Loading Fee Act.
[12/31/96; 3.16.204.6 NMAC - Rn, 3 NMAC 17.5.6, 6/14/01]

3.16.204.7 DEFINITIONS: [Reserved.]
[12/31/96; 3.16.204.7 NMAC - Rn, 3 NMAC 17.5.7, 6/14/01]

3.16.204.8 SUBSEQUENT COLLECTION OF UNCOLLECTIBLE ACCOUNTS OR SUBSEQUENT SALE OF RETURNED PRODUCTS: Any person, who has previously paid the petroleum products loading fee and deducted an amount for gallons of petroleum product which represents an account which has been determined to be uncollectible, shall pay the petroleum products loading fee when the total or any portion of the amount of the uncollectible account is subsequently collected. Any person, who has paid the petroleum products loading fee and deducted an amount for gallons of petroleum product returned by the purchaser, shall be liable for the petroleum products loading fee when the returned product is resold.
[11/7/90, 12/31/96; 3.16.204.8 NMAC - Rn, 3 NMAC 17.5.8, 6/14/01]

3.16.204.9 DETERMINING UNCOLLECTIBLE AMOUNTS:

A. Amounts deductible as uncollectible shall be determined based on the accounting method employed by the person who has previously paid the petroleum products loading fee on the gasoline or special fuel, the sale of which created a debit to the account receivable maintained for that purchaser which was subsequently determined to be uncollectible. For purposes of this deduction, the balance of the account determined to be uncollectible shall be representative of the most recent sales transaction with the purchaser and gallons shall be determined by the source document (sales invoice, delivery ticket, etc.) used to post those transactions into the accounts receivable. Any payment or other credit to the account shall be applied to the oldest debit to that account in determining the balance of the uncollectible account.

B. For persons using an accrual basis of accounting, the deduction will be allowed for only those accounts which have actually been written off the books and records as uncollectible. For persons using other than an accrual basis of accounting, the deduction will be allowed for only those accounts which have been turned over to a third party for further collection activity. The term "turned over to a third party for further collection" includes those accounts which have been assigned to a collection agency or attorney to pursue the collection of the account on behalf of the creditor or those accounts where the creditor has pursued collection through a court of law where

the creditor received but has not collected a judgment against the purchaser.
[11/7/90, 12/31/96; 3.16.204.9 NMAC - Rn, 3 NMAC 17.5.9 & A, 6/14/01]

HISTORY OF 3.16.204 NMAC:

Pre-NMAC History: The material in this part was derived from that previously filed with the State Records Center: TRD Rule PPL-90, TRD Rule PPL, Regulations Pertaining to the Petroleum Products Loading Fee Act, Section 7-13A-1 to 7-13A-6 NMSA 1978, filed 11/7/90.

History of Repealed Material: [RESERVED]

NMAC History:

3 NMAC 17.5, Petroleum Products Loading Fees - Deduction - Gasoline or Other Fuels Returned, filed 12/17/96.

3.16.204 NMAC, Petroleum Products Loading Fee - Deduction - Gasoline or Other Fuels Returned, filed 6/1/01.