

**Subject:** IRS Gives Truckers Three-Month Extension; Highway Use Tax Return Due Nov. 30

**Importance:** High

IMPORTANT NOTICE TO FORM 2290 HEAVY VEHICLE USE TAX FILERS

<http://www.irs.gov/newsroom/article/0,,id=242384,00.html>

NC members should contact us if you encounter questions from local NCDMV as to new procedures stated below.

IR-2011-77, July 15, 2011

WASHINGTON — The Internal Revenue Service today advised truckers and other owners of heavy highway vehicles that their next federal highway use tax return, usually due Aug. 31, will instead be due on Nov. 30, 2011.

Because the highway use tax is currently scheduled to expire on Sept. 30, 2011, this extension is designed to alleviate any confusion and possible multiple filings that could result if Congress reinstates or modifies the tax after that date. Under temporary and proposed regulations filed today in the Federal Register, the Nov. 30 filing deadline for Form 2290, Heavy Highway Vehicle Use Tax Return, for the tax period that begins on July 1, 2011, applies to vehicles used during July, as well as those first used during August or September. **Returns should not be filed and payments should not be made prior to Nov. 1.**

To aid truckers applying for state vehicle registration on or before Nov. 30, the new regulations require states to accept as proof of payment the stamped Schedule 1 of the Form 2290 issued by the IRS for the prior tax year, ending on June 30, 2011. Under federal law, state governments are required to receive proof of payment of the federal highway use tax as a condition of vehicle registration. Normally, after a taxpayer files the return and pays the tax, the Schedule 1 is stamped by the IRS and returned to filers for this purpose. A state normally may accept a prior year's stamped Schedule 1 as a substitute proof of payment only through Sept. 30.

For those acquiring and registering a new or used vehicle during the July-to-November period, the new regulations require a state to register the vehicle, without proof that the highway use tax was paid, if the person registering the vehicle presents a copy of the bill of sale or similar document showing that the owner purchased the vehicle within the previous 150 days.

In general, the highway use tax applies to trucks, truck tractors and buses with a gross taxable weight of 55,000 pounds or more. Ordinarily, vans, pick-ups and panel trucks are not taxable because they fall below the 55,000-pound threshold.

For trucks and other taxable vehicles in use during July, the Form 2290 and payment are, under normal circumstances, due on Aug. 31. The tax of up to \$550 per vehicle is based on weight, and a variety of special rules apply to vehicles with minimal road use,

logging or agricultural vehicles, vehicles transferred during the year and those first used on the road after July.

Last year, the IRS received about 650,000 Forms 2290 and highway use tax payments totaling \$886 million.