

**COMMUNICATION****Issue:**

Form 2290 Heavy Highway Vehicle Use Tax (HVUT) status update

Background:

Section 4481 of the Internal Revenue Code imposes an annual tax on the use of heavy highway vehicles. This annual tax is reported on Form 2290. Under current law the tax expires after September 30, 2011. The Form 2290 for the taxable period July 1, 2011 has not been published.

Before a State will register a vehicle subject to the section 4481 tax, it must first receive proof of payment of the tax, or an acceptable substitute allowed by IRS regulations. Existing regulations allow the State to register a heavy highway vehicle for which an application for registration is received during the months of July, August or September 2011, using a Form 2290 receipted Schedule 1 for the taxable period July 1, 2010 through June 30, 2011 as proof of payment. A State must also register a heavy highway vehicle without proof of payment if the person registering the vehicle presents the original or a photocopy of a bill of sale indicating that the vehicle was purchased by the owner either as a new or used vehicle during the preceding 60 days before the date the State receives the application for registration of the vehicle. If a State receives an application for registration in the month of June 2011, a receipted Schedule 1 for the taxable period July 1, 2010 thru June 30, 2011 must be accepted as proof of payment.

Taxpayers who need a copy of their Schedule 1 for the taxable period July 1, 2010 through June 30, 2011, should call the Form 2290 toll free number at 866-699-4096 if they are calling from the United States. Taxpayers who are calling from Canada or Mexico should call 859-669-5733 (not toll free).