**Tax Exemption and Reporting Program**

The WEX Tax Exemption and Reporting Program can significantly reduce accounting and administrative time for qualified fleets exempt from motor fuel excise taxes or certain sales taxes — at Federal, state, county or local levels.

Benefits include:

* Net billing of federal excise tax on applicable fuel purchases at any location.
* Net billing of state, local, county and special tax on applicable fuel purchases at participating merchant brands based on local tax laws.
* Detailed reporting of the purchase data and tax exemption.

Exemptions are dependent upon several factors, such as the Purchasing Entity’s tax-exempt status for fuel purchases, the taxing jurisdiction’s laws, regulations and requirements, and for most state, county and local taxes, require merchant participation. In the event that a transaction cannot be billed “net of tax”, a Purchasing Entity will receive detailed reporting showing the full purchase price and the tax paid.

**Before WEX can start billing a Purchasing Entity net of applicable taxes on fuel transactions based upon their eligibility, they will need to complete the following required documentation:**

1. Tax Exemption and Reporting Program Enrollment form (enclosed)
2. Certificate of Buyer of Taxable Fuel form for federal exemptions (enclosed)
3. Any required State forms – obtain these from the appropriate state governing body.

Please review the enclosed Frequently Asked Questions sheet for helpful information on the program.

**IMPORTANT: Purchasing Entities must fill out all forms completely and accurately in order to avoid delays in their program enrollment, so please follow the instructions on the enrollment form carefully.**

IRS regulations require that WEX Inc. obtain from a Purchasing Entity, their certification that they are eligible to receive exemptions from federal excise taxes. For all other taxing jurisdictions (state, county, local) a Purchasing Entity may need to submit similar certifications as required by the different taxing jurisdictions. The state certifications may, in most cases, be obtained from the appropriate state’s tax department. WEX must have all applicable documents on file prior to providing a Purchasing Entity with exemptions. It is the customer’s responsibility to make sure WEX has all of the necessary current forms properly filled out in order to be billed “net of tax”.

If a Purchasing Entity has any questions about the program or the enclosed materials, please call WEX at **1-866-841-3542.**

**Tax Exemption & Reporting Program Frequently Asked Questions**

**Q: If my fleet begins fueling before I have provided all necessary tax exemption paperwork, what will occur?**

WEX will not be able to bill a Purchasing Entity net of taxes or report tax exemptions until WEX has received all necessary forms and completed the qualification and setup process.

**Q: When will taxes begin to be exempted?**

Once WEX receive all the properly completed forms, WEX will complete the tax exemption setup in approximately 3 business days. WEX will then begin calculating applicable exemptions. It is a Purchasing Entity’s responsibility to notify WEX of any errors or omissions that they feel may have occurred. If a Purchasing Entity notices any problems, contact the WEX tax department at 1-866-841-3542.

**Q: How can a Purchasing Entity determine their fleet’s tax-exempt status for fuel, as well as what type of forms they need?**

Purchasing Entities should contact their local Department of Revenue for free help and answers regarding their tax-exempt status for fuel and necessary forms. This agency can best assist a Purchasing Entity with questions of this nature.

**Q: Will a Purchasing Entity’s fleet be exempted from federal fuels excise taxes?**

Yes, if the Purchasing Entity is a qualified entity. Federal law effective January 1, 2006 allows a card issuer to invoice qualified fleets net of federal gasoline and federal diesel excise tax for transactions that occur wherever cards are accepted in all 50 states. In order to be exempted from federal fuels excise taxes, a Purchasing Entity will need to complete a Certificate of Buyer of Taxable Fuel in the name of the card issuer.

**Q: Does Purchasing Entity’s tax-exempt status apply in all states and localities?**

The local Department of Revenue, in each state that a Purchasing Entity’s fleet will be fueling, will be able to help determine exemption eligibility for each state and locality respectively.

**Q: Will a Purchasing Entity receive state and local exemptions anywhere they can fuel with the card?**

Not necessarily. Merchant brand participation in the WEX tax program is optional in most states. Merchant participation is not necessary in the following states: Maine, Georgia, Michigan, North Carolina, Alabama, New York and New Jersey.

**Q: What should a Purchasing Entity do if their tax-exempt status changes?**

The Purchasing Entity should immediately notify WEX by calling the WEX Inc. Tax Exempt Department at 1-866-841-3542.

**Q: Do any of these forms expire and if so will a Purchasing Entity be notified prior to the expiration?**

Yes. Federal forms expire every 24 months and certain state forms expire as well. Starting at 120 days prior to the expiration of a Purchasing Entity’s tax exemption form(s), WEX will send the Purchasing Entity three monthly reminders that renewed forms are required. If WEX has not received renewed tax exemption forms by the expiration date, the tax exemption process will cease until WEX receives the necessary paperwork and no credits will be given.

**Q: Will a Purchasing Entity’s fleet be exempted from taxes on non-fuel products?**

The Tax Exemption Program provides applicable tax exemption and reporting for **motor fuel taxes only**; however, merchants may provide WEX with non-fuel transaction data net of tax on a fleet-by-fleet basis at their discretion. The fleet will need to supply the merchant with proper documentation of their tax-exempt status at the point of sale for this to occur.

**Q: What if a Purchasing Entity’s fleet is entitled to a refund for motor fuel taxes that cannot be exempted up front through the WEX program?**

In these instances, the “non-exemptible” tax is reported (not exempted) on the Purchasing Entity’s fleet report. These reported taxes appear at the transaction level and at a summary level, providing them with supporting documentation, which can help them when filing for a refund of the non-exempted taxes.

**Q: What types of tax information reporting will a Purchasing Entity receive?**

At the transaction level, a fleet report will provide Gross Cost, Exempted Amount, Net Cost and Reported Taxes (for non-applicable taxes). Additionally, a Tax Exemption Summary will provide a detailed list of all taxes exempted, sorted by state and by tax type. Finally, a Tax Reported Summary will provide a detailed list of all taxes reported, sorted by state and by tax type.

**Q: How does a Purchasing Entity know how many forms to send in?**

If a Purchasing Entity qualifies for Federal exemptions, they need to send in one form per account or one form with a letter certifying all accounts belong to the same FEIN. If a new account is added in the future, a new form or amended certification letter will need to be sent. For state exemptions, each state is different and will be addressed on an individual basis.

**Q: What if a Purchasing Entity believes there is an error with their exemptions?**

The Purchasing Entity must notify WEX in writing within sixty (60) days of the billing date of the alleged error. WEX requests that the customer provide as many details regarding the error as possible including, but not limited to: transaction date and time, dollar amount and reason for alleging an error.

**Certificate Of Buyer Of Taxable Fuel For Use By A State Or Nonprofit Educational Organization**

(To support credit card issuer’s claim for a credit, refund, or payment under § 6416(a) (4) (B) or § 6427(l) (6) (D) of the Internal Revenue Code.)

|  |  |
| --- | --- |
| **WEX Account Number (if known):**  |  |
| **Federal Tax Identification Number:**  |  |
| **Certification:** |  |

The undersigned hereby certifies under penalties of perjury that I am the

(Title of Officer):       \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Of (Certifying Entity):

Entity Physical Address:

Entity Phone Number:       \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

And that I am authorized to execute this certificate and that all purchases, are, or will be, purchased using a credit card issued by Credit Card Issuer: WEX BANK

Credit Card Issuer Address: 7090 South Union Park Center, Suite 350

 Midvale, UT 84047

Buyer will use the taxable fuel to which this certificate relates for the exclusive use of: (check one)

|  |  |  |
| --- | --- | --- |
|[ ]  State government |  |[ ]  American Red Cross or Blood Collection Center |
|[ ]  Local government |  |[ ]  Indian Tribe |
|[ ]  Public nonprofit educational organization |  |[ ]  Volunteer Fire/Rescue |
|[ ]  Private nonprofit educational organization |  |[ ]  Foreign Diplomat (they must provide a copy of their PID Card) |

and it applies to all exempt purchases of gasoline and diesel fuel, if eligible, using charge cards issued by the Credit Card Issuer named above. Information including the nature and quantity of each purchase of gasoline and diesel fuel (the subject of this Certificate) are evidenced by periodic reports provided by WEX BANK, the above- named Credit Card Issuer.

Certification will be valid for twenty-four consecutive calendar months commencing upon completion and remittance of this Certificate. WEX Inc. may extend the certificate period upon its discretion for an additional period not to exceed four months.

I understand that by signing this certificate, I, as an authorized representative of the entity named above, give up our right to claim a credit or payment for the taxable fuel purchased with the credit card to which this Certificate relates. I understand that the exemption from tax, in this case of sales of articles under the exemption Certificate, is limited to the sale of articles purchased for our exclusive use. I understand that the fraudulent use of this Certificate for the purpose of securing this exemption will subject us, and all parties making such fraudulent use of this Certificate, to fines or imprisonment, or both, together with the costs of prosecution.

The parties agree that a signed transmission shall be considered valid for purposes of this certification and that the parties hereby waive any claim that a transmission does not satisfy the requirements of a signature or writing under applicable law.

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| --- | --- |
| Authorized Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Printed Name:     \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Title:     \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ | Date:     \_\_\_\_\_\_\_\_\_\_\_\_ |

**Email or FAX completed forms to** **TaxExemptForms@WEXINC.Com** **or 1-207-523-7104**

|  |  |  |
| --- | --- | --- |
| **INTERNAL USE ONLY** | Sales Representative: |  |

**Tax Exemption & Reporting Enrollment Form**

**Instructions:**

* 1. Complete part A and sign form at the bottom.
	2. Attach FEDERAL Certificate of Buyer and STATE forms (see details below).
	3. For questions on signing up for tax exemption and reporting, please call 1-866-841-3542 or email GovTaxServices@WEXInc.com.
	4. E mail completed forms to: TaxExemptForms@WEXInc.com ,

or fax to: 1-207- 523-7104,

 or mail to: Fleet Services, Tax Exempt Department

 P.O. Box 639

 Portland, ME 04104.

* 1. Retain the terms on page 2 for your records.

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| **A. ACCOUNT INFORMATION** |
| Fleet Name:       | WEX Account Number (if known):       |
| Authorized Fleet Contact:       | Phone No.:       |
| Fleet Contact email:       | Fax No.:       |
| Federal Taxpayer ID Number:       |
| IMPORTANT: Eligibility may be limited based on applicable federal, state and local laws.Participating Entities must fill out these forms completely and accurately in order to avoid delays in their program enrollment, so please follow the instructions carefully. |
| **B. MOTOR FUEL TAX** |
| * Tax regulations require the Contractor to maintain current copies of the following **applicable forms,** based on the Participating Entity’s eligibility:
	1. **Federal —** A Certificate of Buyer of Taxable Fuel in the name of WEX BANK (Included with this form.)
	2. **State —** Applicable state forms. **(Obtain these from the appropriate state governing body.)**
* **Once the Contractor receives all of the Participating Entity’s properly completed documentation the Contractor will complete the tax exemption set up on their account within approximately three business days and start billing them net of the Applicable Taxes.**
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The parties agree that a signed transmission shall be considered valid for purposes of this enrollment form and that the parties hereby waive any claim that a transmission does not satisfy the requirements of a signature or writing under applicable law.

 Authorized Fleet Signature: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:      \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

USER (INTERNAL USE ONLY):

The information contained in this message is intended only for the use of the individual or entity named above and may contain confidential information. If the recipient of this message is not the intended recipient, or the employee or agent responsible for delivering the message to the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately at 1-800-492-0669 and return the original message to the attention of the sender at 97 Darling Avenue, South Portland, ME 04106.

**Tax Exemption & Reporting Enrollment Form**

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| **C. TERMS AND CONDITIONS** |

This Tax Exemption and Reporting Enrollment Form modifies a Participating Entity’s charge card agreement based on their participation in the Tax Exemption and Reporting Program (“Program”). Signature on this form and a Participating Entity’s continued use of their account constitutes acceptance of these terms and conditions. All capitalized terms contained herein shall have the same meaning as in the Master Agreement with the Contractor unless otherwise expressly provided herein. Except as amended hereby, the charge card agreement governing your account remains in full force and effect.

TAX EXEMPTION AND REPORTING PROGRAM

1. The tax exemption and reporting program (the “program”) permits qualified tax-exempt Participating Entities to be billed net of certain “Applicable Taxes” (as defined herein and in Exhibit F). By completing this enrollment form the Participating Entity is electing to participate in the program. The Contractor will enroll a Participating Entity in the program upon receipt by Contractor of all of the Participating Entity’s enrollment materials, including all required certificates, and validation of the Participating Entity’s tax-exempt status. Upon completion of the Participating Entity’s enrollment, their invoices will reflect the net amount due with a line item indicating total “Applicable Taxes” (as defined herein and in Exhibit F). The Participating Entity’s reporting will provide a specific breakdown of Applicable Taxes deducted for each taxing authority or jurisdiction. Applicable Taxes are those federal, state, county and/or local taxes levied on the purchase of gasoline or diesel fuel for which the Participating Entity has provided the proper documentation to the Contractor showing their exempt status, and for which such documentation has been accepted by us and for which the Program provides exemption1.
2. As the Participating Entity’s credit card issuer, the Contractor has elected to provide Participating Entities with net billing of Federal excise taxes on fuel based upon the participation requirements in section (a) above. The Contractor will file a claim for refund with the Internal Revenue Service for these taxes. The Participating agrees that they may not file a claim for refund of any federal excise tax exempted by the Contractor and not billed to the Participating Entity by the Contractor.
3. For state, county, special and local taxes, merchants have the option of electing to participate or not to participate in the Contractor’s program based on their own preferences and ability to obtain refunds from state/local taxing authorities. Transactions that occur at merchant locations not participating in this program will be billed to Participating Entities with the tax included regardless of their exempt status. In these instances the Participating Entity’s reporting will contain a detailed listing of their transactions and the taxes charged to them. This information may assist a Participating Entity in filing their own claims for refunds if they so desire. Participating Entities agree that they may not file a claim for refund of any state, county, special or local taxes exempted by a participating merchant and not billed to them by the Contractor.
4. The tax certificates and other pertinent documentation on which a Participating Entity’s exemption is based must be received by the Contractor from the Participating Entity in order for the Contractor to provide the Participating Entity with net billing of any Applicable Taxes. These documents are required to be completed prior to any net billing of Applicable Taxes in order for the Contractor or a participating merchant to recover such exempted taxes from the applicable taxing jurisdiction. The Contractor shall have no responsibility to verify the correctness of the certificate supplied by a Participating Entity and shall be entitled to rely thereon in preparing the reports and tax exemptions until such time as the Contractor is notified by a Participating Entity in writing of a change in any such data. The Contractor reserve the right to terminate a Participating Entity’s participation in the program, provided, however, that such termination shall not terminate the underlying Mater Agreement between the Participating Entity and the Contractor.
5. The Contractor shall calculate tax exemptions based on Internal Revenue Service or other applicable taxing authority guidelines for transactions made by the Participating Entity. For state, county and local taxes, only those transactions agreed upon by the participating merchant shall be treated as tax exempt1. If the Contractor is obligated to reimburse a participating merchant for any actual loss incurred or rebill a Participating Entity for any taxes previously exempted (including refunds denied and assessments of previously made refunds and penalties) attributable to the provision of a tax exemption to them, they hereby agree to reimburse the Contractor for said losses incurred.
6. For non-fuel transactions, merchants may provide transaction data to the Contractor net of tax at their sole discretion. Participating Entities would need to supply the merchant with proper documentation of their tax-exempt status at the point of sale. The merchant will send the transaction to the Contractor and the Contractor will bill the Participating Entity net of tax for those transactions. The Participating Entity will not receive reporting of taxes levied or exempted for non-fuel purchases.
7. The Contractor shall comply with reasonable requests for information retrieval made by the Participating Entity.
8. The Contractor cannot apply exemptions to transactions that occurred prior to the Contractor’s receipt and acceptance of the Participating Entity’s completed certificates.
9. The Contractor shall use reasonable efforts to correctly calculate the amount of tax included in each account arising from a tax exempt sale. The Contractor shall recalculate taxes only in cases where the Contractor miscalculated the original taxable transaction.
10. The Contractor disclaims all warranties in connection with tax-exempt reporting and invoicing and shall not be responsible for the accuracy or completeness of such reports. In no event shall the Contractor be responsible for loss, liability or damages, including consequential or special damages, costs and expenses, including taxes, penalties, interest and attorney’s fees that arising as a result of any inaccurate or incomplete report which the Participating Entity may suffer or incur in connection with or arising out of the tax-exempt reporting/invoicing service offered hereunder.