



**DEPARTMENT OF THE NAVY**

U.S. NAVAL SUPPORT ACTIVITY

PSC 817 BOX 1

FPO AE 09622-1000

NAVSUPPACT NAPLES INST 10340.8F

40P:SM:rs

**1 DEC 1998**

NAVSUPPACT NAPLES INSTRUCTION 10340.8F

From: Commanding Officer, U.S. Naval Support Activity, Naples, Italy

Subj: POLICY GOVERNING TAX-FREE PETROLEUM PRODUCTS (POL) "G" SERIES COUPONS FOR USE IN ITALY BY OFFICIAL, RENTED, AND PRIVATELY OWNED VEHICLES TRAVELING ON OFFICIAL BUSINESS

Ref: (a) Italian Ministry of Finance Rome instruction ltr 897/N of 27 Dec 68  
(b) CINCUSNAVEURINST 5450.21E  
(c) CINCUSNAVEURINST 5840.2C  
(d) NAVSUPPACT NAPLES INST 10340.3F  
(e) Italian Ministry of Defense ltr BL 50039 of 21 Jan 77  
(f) NAVSUPPACT NAPLES INST 10340.9

Encl: (1) Tax-free POL product "G" coupons sample control log  
(2) Additional Allowance Authorization, NAVEURGEN form 10340/4  
(3) Gasoline allowance table

1. Purpose. To establish policy and provide guidance for the procurement and control of tax-free POL "G" coupons for use in official, rental, or privately owned vehicles (POVs) when used in connection with official duties pursuant to orders issued by competent authority.

2. Cancellation. NAVSUPPACT NAPLES INST 10340.8E

3. Background. Pursuant to agreement between U.S. Naval Support Activity, Naples, Italy (NAVSUPPACT Naples) and the Italian Government, and per references (a) through (f), official U.S. and NATO vehicles, rental vehicles and POVs of U.S./NATO military and civilian personnel traveling on official business may obtain tax-free POL from commercial outlets in exchange for "G" coupons. Reference (a) provides for an allotment of tax-free POL intended for the exclusive use of vehicles traveling in Italy on official U.S. or NATO business. NAVSUPPACT Naples and Italian Ministry of Defense will jointly conduct periodic inspections of U.S. and NATO activities to ensure compliance with tax-free products regulations.

4. Policy. POL "G" coupons may be used by:

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- a. Personnel authorized to use official U.S. and NATO vehicles. An official U.S. and NATO vehicle is any vehicle officially registered as an AFI official vehicle or any rental vehicle utilized to fulfill an official capacity.
- b. U.S./NATO personnel directed to use their POV for TAD/TDY or PCS travel within Italy.
- c. U.S./NATO personnel authorized to use a rental vehicle for TAD/TDY or PCS purposes in Italy.
- d. U.S./NATO personnel (including local nationals) directed to use their POV for official business in the metropolitan areas, and when official vehicles are not available.
- e. Either the sponsor of, or newly arrived personnel (but not both), using their POV or rental cars for use in locating housing. This authorization will not exceed a period of two consecutive months and will not exceed a limit of 100 liters per month.
- f. In order to be qualified to purchase "G" coupons for use in rental vehicles or POVs, the individual must be authorized in writing by the local base commander or delegated representative.
- g. For rental vehicles, a copy of the rental contract and a copy of TAD/TDY or PCS orders must be attached to the enclosure (2) authorization at time of purchase. This provision does not apply to long term rental vehicles in the custody of a command's transportation office that are used solely for official business.
- h. U.S./NATO personnel stationed outside of Italy and temporarily assigned/attached in Italy on TAD/TDY. Authorization for the purchase of "G" coupons will be granted by the command to which the individual is assigned/attached during the TAD/TDY period.
- i. U.S./NATO personnel on TAD/TDY and permanently assigned to a command in Italy. Authorization for the purchase of "G" coupons will be granted by the command to which the person is permanently assigned.
- j. NATO personnel, while in a NATO TAD/TDY/PCS status, may purchase "G" coupons for use in their POVs or rented cars when authorized by the appropriate approving NATO authorities.

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k. Authorization to purchase or issue "G" coupons allowance will be based on the vehicle's engine size in cubic centimeters (cm3) and quantities listed below:

<u>OLD TAXABLE HORSEPOWER TABLE</u>	<u>NEW VEHICLE'S ENGINE SIZE IN CUBIC CENTIMETERS (CM3) TABLE</u>	<u>MAXIMUM ALLOWANCE (BASED ON 50 KMS OF OFFICIAL TRAVEL)</u>
UP TO 9	Up to 668 cm3	4 liters
10 TO 13	669 to 1,119 cm3	5 liters
14 TO 25	1,120 to 2,883 cm3	6 liters
ABOVE 25	More than 2,884 cm3	8 liters

In no case will an individual be routinely authorized to purchase more than 400 liters of "G" coupons per month. If more than this amount is requested, the case will be brought to the attention of the NAVSUPPACT Naples Tax-Free Products Administrator for evaluation. AFI official U.S./NATO military vehicles are not subject to the limitation of 400 liters of gasoline/diesel per month.

Note 1: Official U.S./NATO vehicles operating in areas where military tax-free POL dispensing facilities are available on base will, to the extent practical, refrain from using "G" coupons.

Note 2: U.S./NATO personnel using their POVs or rented vehicles for "no cost" permissive TAD/TDY purpose are not entitled to use or purchase "G" coupons.

Note 3: The procedure for the sale of "G" coupons to U.S. personnel serving at military installations outside Italy and visiting Italy on leave is set forth in reference (f).

5. Exception. Per agreement with Italian Fiscal/Customs officials, U.S./NATO military personnel from other countries on TAD/TDY in Italy in support of military operations who do not own an AFI registered POV, and who are using rented cars from a temporary residence to the duty station, may be authorized to purchase a maximum of 170 liters of "G" coupons per month. A temporary "G" coupon ration card must be issued by local servicing Security or Motor Vehicle Registration Office (MVRO). The ration card is valid for the duration of the member's temporary duty assignment in support of military operations. Additional liters of "G" coupons may also be authorized separately for official trips outside of the area of the temporary assignment. The amount authorized will be based on the vehicle's engine size in cubic centimeters (cm3) of the rented vehicle and the distance to be traveled (paragraph 4k above applies).

6. Responsibility

a. Authorized Use

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(1) POL coupons are to be exchanged only at authorized gasoline stations in Italy; must be signed by the purchaser, dated and annotated with the actual license number of the vehicle being refueled; must be used only for the product authorized; and cannot be legally traded or exchanged for other products.

(2) "G" coupons are intended only for official purposes and for use by the person to whom the ration is issued. Selling, bartering, lending or giving the coupons or the product itself to any other person, or buying or borrowing from any other person is prohibited. By accepting the privilege of obtaining tax-free POL, personnel may be called upon at any time to substantiate in writing to the base commander of the appropriate U.S./NATO installation, the manner in which they have disposed of coupons or products obtained in exchange for coupons.

(3) Illegal use of POL coupons is a violation of the Uniform Code of Military Justice (UCMJ) and Italian fiscal laws. Violators are subject to one or more of the following disciplinary or administrative actions:

(a) Prosecution under the UCMJ

(b) Prosecution under Italian law by the Italian Government

(c) Revocation or suspension of some or all of the tax exemption privileges of the violator as directed by the appropriate U.S. or NATO Base Commander.

(d) Prosecution under military criminal law of the National Service of the recipient.

(e) Other administrative action as appropriate.

(4) The activity or office authorizing the use or issue of "G" coupons will require individuals to record the odometer reading of the vehicle immediately before and after the official travel is completed. The odometer reading will be used to ensure authorized "G" coupons do not exceed the maximum authorization, and to ensure the coupons are used for official travel only.

b. Coupon Sales. The issue or sale of "G" coupons will be recorded in a log maintained by each issuing or sales outlet. The log will indicate all monitoring information, as specified in enclosure (1). Authorized retail outlets may sell "G" coupons to individuals upon presentation of orders or other written authorization, and substantiated by an Additional Allowance Authorization, enclosure (2), signed by the base commander or designated representative. The gasoline allowance table in

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enclosure (3) will be used to assist in determining the quantity of allowance applicable. One copy of the form will be retained by the retail sales activity and one copy, together with a copy of orders or other written authorization, will be forwarded to the NAVSUPPACT Naples Tax-Free Products Administrator. The retail sales activity operator will post on the original TAD/TDY orders the amount of "G" coupons sold. The retail sales activity manager or delegated representative, not physically engaged in the daily sale of "G" coupons, is responsible for matching, on a daily basis, the amount of "G" coupons sold and recorded on the daily control sales log against the amount authorized on the Additional Allowance Authorization form. Any discrepancy should be immediately reported to the respective police or Security Officer, as well as the base commander and NAVSUPPACT Naples Tax-Free Products Administrator.

Note 1: The retail sales activity will sell "G" coupons to individuals only if the Additional Allowance Authorization form is substantiated by official orders or other appropriate written authorization signed by the base commander or designated representative. Incomplete or spoiled Additional Allowance Authorization forms must be returned to the issuing officials.

Note 2: Daily sales of "G" coupons must be recorded and maintained on a separate log sheet.

Note 3: Local base commanders are requested to furnish to the retailer the name, title, and a specimen signature of personnel authorized to approve the Additional Allowance Authorization form.

c. Lost or Stolen Coupons. At the discretion of base commanders or delegated representatives, lost or stolen coupons may be replaced by authorizing the individual to repurchase an amount equal to their loss. Requests for replacement of lost or stolen coupons must be submitted to base commanders via the proper police authority, and supported by a formal police report. A copy of the request should be forwarded to the NAVSUPPACT Naples Tax-Free Products Administrator for possible future identification of stolen or lost coupons.

d. Damaged Coupons. Damaged coupons may be refunded or replaced by purchasing a like amount when the denomination, quantity, and serial number of the coupons can be identified.

e. Procurement of Coupons. As set forth in reference (d), retail sales activities will request tax-free POL "P" coupons via letter or message from NAVSUPPACT Naples (Code 40P). Commands may requisition coupons using standard MILSTRIP format. After

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the coupons are issued, NAVSUPPACT Naples' Authorization Accounting Activity (AAA) will invoice the requesting activity in dollars. Payment of the invoice will be by check made payable to the "Treasurer of the United States" and mailed to the AAA at the address specified on the invoice. Failure to make payment promptly will result in the customer being required to pay for difficulties with this payment of invoice procedure may contact the Control Division Office (DSN 626-5431) for assistance. When requested, coupons may be shipped from NAVSUPPACT Naples to the retail sales activities in Italy via FPO/APO registered mail. However, once the coupons leave the custody of NAVSUPPACT Naples, the addressee will assume the full responsibility for the payment of both the coupons and any taxes on the products.

f. Redemption of Coupons. Except for those individuals in PCS status, customers may return "G" coupons for credit only if expired. Unsold/expired tax-free POL "G" coupons (signed or unsigned) may be returned by retail sales activities to NAVSUPPACT Naples for redemption. Valid coupons must be voided prior to returning them for credit. Refunds will be provided for a period of nine months beyond the coupon expiration date. The acquisition cost of the coupons, less a redemption fee of one-half cent (.005 U.S. dollars) per liter will be applied as a credit to subsequent coupon orders. This redemption fee applies only to unsold or expired coupons held in stock by retail sales activities. Retail sales activities may issue instructions to customers establishing redemption procedures which may include a reduced redemption period for expired coupons returned by customers. The one-half cent redemption fee is not applicable to consumers.

7. Reports. Each U.S. and NATO military command purchasing "G" coupons from NAVSUPPACT Naples, AAFES outlets, Navy Exchange system or a NATO resale activity in Italy will submit a monthly report listing the quantities issued or sold, by each type of tax-free POL. U.S. and NATO base commanders will provide a list of military activities, departments, or offices under their responsibility and the name of the designated command representative who is authorized to purchase "G" coupons from NAVSUPPACT Naples. The list will be periodically reviewed by each command and maintained in a current status. All reports will be submitted to NAVSUPPACT Naples, Tax-Free Products Administrator (Code 40P). NAVSUPPACT Naples will render all necessary reports to the cognizant Italian authorities. Reports will be submitted in sufficient time to reach NAVSUPPACT Naples no later than the 20th of the month following the report month.

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8. Information. Specific cases not covered by this regulation will be reported for resolution to the NAVSUPPACT Naples Supply Officer or the Tax-Free Products Administrator at DSN 626-5439/30 or (Comm) 39-081-568-5439.



J. J. COYNE

Distribution:

NAVSUPPACT NAPLES INST 5216.4T

List: I through VII

Copy to:

HQ USEURCOM

IMOD

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TAX-FREE "POL" PRODUCT "G" COUPONS CONTROL LOG

QTY PURCHASED: \_\_\_\_\_ PRODUCT: \_\_\_\_\_  
 REQ # : \_\_\_\_\_ DATE: \_\_\_\_\_  
 BOOK # : \_\_\_\_\_

DATE OF ISSUE	AMOUNT	COUPON SERIAL NUMBER	PURPOSE	VEHICLE LICENSE PLATE NUMBER	OPERATOR	SIGNATURE	ODOMETER		UNUSED RETURNED COUPONS	BALANCE	OTHER
							OUT	IN			



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NAVEURGEN 10340/4 Rev.1998

0196-LF-080-0301

ADDITIONAL ALLOWANCE AUTHORIZATION

NAME ..... RANK ..... SERVICE ..... SERVICE NO .....
NIZATION & DUTY STATION ..... LICENSE PLATE NO .....
VEHICLE'S ENGINE SIZE (cm3) .....

TOTAL "P" COUPONS PURCHASED BY AN INDIVIDUAL SHALL NOT EXCEED 400 LITERS PER MONTH EXCEPT FOR ADVANCE PURCHASE AUTHORIZED IN PARA 1.B. BELOW. "G" COUPONS MAY BE PURCHASED ONLY WHERE THE FOLLOWING TWO CONDITIONS EXIST:

- A. AN OFFICIAL MILITARY VEHICLE IS NOT AVAILABLE FOR USE BY AN INDIVIDUAL.
B. THE USE OF A POV OR RENTED CAR IS ESSENTIAL TO THE ACCOMPLISHMENT OF AN OFFICIAL FUNCTION OR MISSION OF THE MILITARY ORGANIZATION.

AUTHORIZATION FOR PURCHASE OF "G" COUPONS WILL BE BASED ON VEHICLE'S ENGINE SIZE IN CUBIC CENTIMETER (cm3) AND KM'S DRIVEN IN ACCORDANCE WITH THE FOLLOWING TABLE:

Table with 3 columns: OLD TAXABLE HORSEPOWER TABLE, NEW CM3 TABLE, MAXIMUM ALLOWANCE. Rows include horsepower ranges (UP TO 9, 10-13, 14-25, ABOVE 25) and corresponding cm3 ranges (UP TO 668, 669-1119, 1120-2883, ABOVE 2884) and liter allowances (4, 5, 6, 8 LITERS PER 50 KM).

1. "P" COUPONS.

A. LEAVE
PERIOD OF LEAVE ..... KMS TO BE TRAVELED IN ITALY .....

B. ADVANCE PURCHASE
PERIOD COVERED .....

C. NEWLY ARRIVED PERSONNEL PRIOR TO ACQUIRING WHITE AFI PLATED VEHICLE
FROM ..... TO .....
Month/Year Month/Year

D. REMOTE SITES
KMS TO BE TRAVELED ..... PERIOD TO BE COVERED .....

E. MEDICAL
KMS TO BE TRAVELED ..... PERIOD TO BE COVERED .....

2. "G" COUPONS.

A. POV UTILIZED IN LOCAL METROPOLITAN AREA FOR OFFICIAL BUSINESS
KMS TO BE TRAVELED ..... PERIOD TO BE COVERED .....

B. TAD/TDY UTILIZING POV OR RENTED CAR
KMS TO BE TRAVELED ..... PERIOD TO BE COVERED ..... TAD/TDY ORDER NO .....

C. SPONSOR
PERSON TO BE SPONSORED ..... KMS TO BE TRAVELED .....

- 3. A. NUMBER OF LITERS OF "P" COUPONS AUTHORIZED .....
B. NUMBER OF LITERS OF "G" COUPONS AUTHORIZED .....

4. AUTHORIZING OFFICIAL NAME/TITLE
5. SIGNATURE
6. DATE

**1 DEC 1998**GASOLINE ALLOWANCE TABLE

## Table of Official Distances

The number of kilometers shown below will be used in determining gasoline allowances for leave/official travel to the following places.

<u>NAPLES TO</u>	<u>KM</u>
Brenner Pass	949
Bari	230
Brindisi	374
Florence	497
Milan	791
Palermo, Sicily	729
Catania, Sicily	570
Catanzaro	372
Pisa	559
Pordenone	811
Rome	219
San Remo	869
Trieste	877
Venice	740
Verona	753
Vicenza	736