

Stage and Memo 1/22

Senate File 1042
Ways and Means
Culver, Chairperson
Nolting
Taylor

FILED JAN 21 1976

SENATE FILE 1042

By NORPEL

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

- 1 An Act to provide a twenty percent refund for the motor fuel
- 2 tax paid by an operator of a cement truck.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
- 4
- 5

SENATE FILE 1042 FISCAL NOTE

Date prepared: February 13, 1976
Requested by: Senator Norpel
Prepared in regard to Senate File 1042, An Act to provide a twenty percent refund for the motor fuel tax paid by an operator of a cement truck.

Following is the fiscal effect in dollars of the legislative proposal as required by Joint Rule 16.

The effect of this proposal would be to reduce motor vehicle fuel revenue by \$40,000-\$50,000 per year.

Source: Department of Revenue

FILED
FEBRUARY 16, 1976

BY GERRY D. RANKIN
LEGISLATIVE FISCAL DIRECTOR

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1 Section 1. Section three hundred twenty-four point
2 seventeen (324.17), unnumbered paragraph one (1) and sub-
3 section twelve (12), Code 1975, are amended to read as follows:

4 Any person other than a licensee who shall use motor fuel
5 for the purpose of operating or propelling farm tractors,
6 corn shellers, roller mills, truck-mounted feed grinders,
7 stationary gas engines, aircraft, for cleaning or dyeing or
8 for any purpose other than in watercraft or in motor vehicles
9 operated or intended to be operated upon the public highways
10 or any person other than a licensee operating a cement truck
11 and having paid the motor fuel tax on the fuel either directly
12 to the department of revenue or by having the tax added to
13 the price of the fuel, and who has a refund permit shall,
14 upon presentation to and approval by the department of revenue
15 of a claim for refund be reimbursed and repaid the amount
16 of the tax which the claimant has paid on the gallonage so
17 used. Every claim filed subsequent to July 4, 1957, shall
18 be subject to the following conditions:

19 12. Refund may also be made on special fuel taxes paid
20 on fuel consumed in the operation of corn shellers, roller
21 mills and feed grinders mounted on trucks or consumed in the
22 operation of cement trucks under the same conditions as
23 provided by law for refunds on motor vehicle fuel.

24 Sec. 2. Section three hundred twenty-four point seven-
25 teen (324.17), Code 1975, is amended by adding the follow-
26 ing new subsection:

27 NEW SUBSECTION. The refund allowed for operation of a
28 cement truck shall be limited to twenty percent of the total
29 amount of the motor fuel tax paid. The invoices showing the
30 purchase of motor fuel shall be attached to the application
31 for refund form.

32 EXPLANATION

33 This bill provides for a refund of 20 percent of the motor
34 fuel tax paid by operators of cement trucks similar to the
35 refund procedures for nonlicensees.

LSB 3374
tb/jw/5

S-5186

1 Amend Senate File 1042 as follows:

2 1. Page 1 by striking lines 1 through 31 and in-
3 serting in lieu thereof the following:

4 "Section 1. Section three hundred twenty-four
5 point sixteen (324.16), Code 1975, is amended to read
6 as follows:

7 324.16 CREDIT TO LICENSEE--NONMOTOR VEHICLE OR
8 WATERCRAFT USE--CASUALTY LOSSES--NONTAXABLE PRODUCTS-
9 -REFUNDS. A licensee having received motor fuel or
10 special fuel which thereafter (1) he uses for any
11 purpose other than as fuel for propelling motor ve-
12 hicles or watercraft ~~or~~, (2) while owned by him is
13 lost or destroyed through accountable leakage or
14 through fire, accident, lightning, flood, storm, act
15 of war or public enemy or other like cause, or (3)
16 he uses fuel in a manner which would entitle him to
17 receive a refund under the provisions of section three
18 hundred twenty-four point seventeen (324.17) of the
19 Code if a person other than a licensee, shall upon
20 application to the department of revenue supported
21 by two notarized affidavits covering circumstances
22 of loss as proof, be entitled to a memorandum of
23 credit which he may apply against subsequent liability
24 under this chapter, or, if an applicant having paid
25 the tax on the gallonage covered in the application
26 is no longer engaged in activity for which his license
27 was issued, the department of revenue shall refund
28 the appropriate amount to the applicant.

29 Sec. 2. Section three hundred twenty-four point
30 seventeen (324.17), unnumbered paragraph one (1),
31 Code 1975, is amended to read as follows:

32 Any person other than a licensee as defined in
33 this chapter who shall use motor fuel or special fuel
34 for the purpose of operating or propelling farm
35 tractors, or corn shellers, roller mills, truck-mounted
36 and feed grinders whether mounted on a truck or self-
37 propelled, truck-mounted cement mixers, stationary
38 gas engines, aircraft, for cleaning or dyeing or for
39 any purpose other than in watercraft or in motor
40 vehicles operated or intended to be operated upon
41 the public highways and having paid the motor fuel
42 tax on the fuel either directly to the department
43 of revenue or by having the tax added to the price
44 of the fuel, and who has a refund permit shall, upon
45 presentation to and approval by the department of
46 revenue of a claim for refund be reimbursed and repaid
47 the amount of the tax which the claimant has paid
48 on the gallonage so used. Every claim filed subsequent
49 to July 4-1957 1, 1976, shall be subject to the
50 following conditions:

1 Sec. 3. Section three hundred twenty-four point
2 seventeen (324.17), subsection twelve (12), Code 1975,
3 is amended to read as follows:

4 12. Refund may also be made on special fuel taxes
5 paid on fuel consumed in the operation of corn shel-
6 lers, roller mills and feed grinders whether mounted
7 on trucks or self-propelled and truck-mounted cement
8 mixers under the same conditions as provided by law
9 for refunds on motor vehicle fuel.

10 Sec. 4. Section three hundred twenty-four point
11 seventeen (324.17), Code 1975, is amended by adding
12 the following new subsection:

13 NEW SUBSECTION.

14 a. The amount of fuel for which a fuel tax refund
15 may be claimed each month under the provisions of
16 this section shall be computed to be equal to the
17 difference between the invoiced gallons used in the
18 vehicle and the gallonage used in the vehicle for
19 transportation. For the purpose of this section "gal-
20 lonaage used in the vehicle for transportation" shall
21 be equal to one gallon for every three point six miles
22 traveled by a vehicle propelled by motor fuel and
23 one gallon for every four point seven miles traveled
24 by a vehicle propelled by special fuel.

25 b. Persons seeking refunds under this subsection
26 shall file on forms provided by the department which
27 shall require monthly dated odometer readings for
28 each vehicle for which a refund is claimed and shall
29 indicate the total miles traveled in the preceding
30 month for which the fuel tax is claimed.

31 c. Record for invoiced fuel purchased upon which
32 a refund is claimed and monthly dated odometer read-
33 ings on all vehicles for which a refund is claimed
34 shall be maintained by the person and open to inspec-
35 tion by agents of the department for a period of three
36 years from the date of claim. A violation of this
37 paragraph shall terminate the privilege to receive
38 a refund under this chapter.

39 Sec. 5. Section three hundred twenty-four point
40 eighteen (324.18), Code 1975, is amended to read as
41 follows:

42 324.18 REFUND PERMIT. No person may claim a
43 refund under section 324.17 until he shall have
44 obtained a refund permit from the department of revenue
45 and paid the fee therefor. A special permit shall
46 be obtained by applicants claiming a refund under
47 the provisions of this chapter on account of motor
48 fuel or special fuel used for the purpose of operating
49 aircraft. Application for a refund permit shall be
50 made to the department of revenue on a form provided

1 by the department of revenue, shall be certified by
2 the applicant under penalty for false certificate
3 and shall contain among other things, the name, the
4 address and occupation of the applicant, the nature
5 of his business and a sufficient description for
6 identification of the machines and equipment in which
7 is to be used motor fuel or special fuel for which
8 refund may be claimed under the permit. Each permit
9 shall bear a separate number and each claim for refund
10 shall bear the number of the permit under which it
11 is made. The department of revenue shall keep a per-
12 manent record of all permits issued and a cumulative
13 record of the amount of refund claimed and paid under
14 each. A fee of one dollar shall be collected by the
15 department of revenue from each person to whom a
16 refund permit is issued. A refund permit shall
17 continue in effect until revoked as hereinafter pro-
18 vided or until the claimant shall have moved from
19 the county with which his refund permit is identified."

S-5186 FILED
FEBRUARY 20, 1976

BY RICHARD J. NORPEL, SR.