

See Ways & Means 3/18 D's Pass 3/25 (p. 919)

HOUSE FILE 2395

Ways and Means
Taylor, Chair
Holden
Priebe

1982

HOUSE FILE 2395

BY COMMITTEE ON WAYS AND MEANS

WAYS & MEANS CALENDAR

(Formerly House File 2115)

Passed House, Date 3-15-82 (p. 827) Passed Senate, Date 4-14-82 (p. 1202)

Vote: Ayes 82 Nays 9 Vote: Ayes 47 Nays 0

Approved May 6, 1982

A BILL FOR

1 An Act providing a refund or income tax credit of excise
2 tax on motor fuel used to produce denatured alcohol
3 within the state.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 324.17, unnumbered paragraph 1, Code
2 1981, is amended to read as follows:

3 Any person other than a distributor, dealer or user licensed
4 under this chapter who ~~shall-use~~ uses motor fuel or special
5 fuel for the purpose of operating or propelling farm tractors,
6 corn shellers, roller mills, truck-mounted feed grinders,
7 stationary gas engines, aircraft, for producing denatured
8 alcohol within the state, for cleaning or dyeing or for any
9 purpose other than in watercraft or for propelling motor
10 vehicles operated or intended to be operated upon the public
11 highways and ~~having~~ who has paid the motor fuel or special
12 fuel tax on the fuel either directly to the department of
13 revenue or by having the tax added to the price of the fuel,
14 and who has a refund permit ~~shall~~, upon presentation to and
15 approval by the department of revenue of a claim for refund,
16 shall be reimbursed and repaid the amount of the tax which
17 the claimant has paid on the gallonage so used, except that
18 the amount of any refund payable under this division may be
19 applied by the department of revenue against any tax liability
20 outstanding on the books of the department against the
21 claimant. Every claim ~~shall-be~~ is subject to the following
22 conditions:

23 Sec. 2. Section 422.110, subsection 1, Code 1981, is
24 amended to read as follows:

25 1. Motor fuel as defined in section 324.2, subsection
26 1, used for the purpose of operating or propelling farm
27 tractors, corn shellers, roller mills, truck-mounted feed
28 grinders, stationary engines, aircraft, for producing denatured
29 alcohol within the state, for cleaning or dyeing, or for any
30 purpose other than in watercraft or in motor vehicles operated
31 or intended to be operated upon the public highways.

32 EXPLANATION

33 This bill provides for a refund of the excise tax on motor
34 fuel if the fuel is used for the production of denatured
35 alcohol in the state. In lieu of a refund, a person may elect

1 to receive an income tax credit. The bill takes effect July
2 1 following its enactment.

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REPRESENTATIVE SCHNEKLOTH

STATE OF IOWA
F I S C A L N O T E

Request No. 82-258

In compliance with a written request received February 25, 19 82, there is hereby submitted a Fiscal Note for H.F. 2395 pursuant to Joint Rule 16. Background information used in developing this Fiscal Note is available from the Legislative Fiscal Bureau, to members of the Legislature upon request.

H.F. 2395, An Act providng a refund or income tax credit of excise tax on motor fuel used to produce denatured alcohol within the state.

This bill would allow fuel used for the production of denatured alcohol to be eligible for refund of any motor vehicle fuel taxes paid either through the motor vehicle fuel tax refund system or through the income tax refund system. While a specific estimate of the impact of this bill cannot be given, it is expected that the effects would be a minimal loss in revenue from the Road Use Tax Fund.

Source: Department of Revenue

FILED MARCH 8, 1982

BY GERRY RANKIN, Fiscal Director

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HOUSE FILE 2395

AN ACT

PROVIDING A REFUND OR INCOME TAX CREDIT OF EXCISE TAX ON
MOTOR FUEL USED TO PRODUCE DENATURED ALCOHOL WITHIN THE
STATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 324.17, unnumbered paragraph 1, Code
1981, is amended to read as follows:

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under this chapter who ~~shall use~~ uses motor fuel or special
fuel for the purpose of operating or propelling farm tractors,
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alcohol within the state, for cleaning or dyeing or for any
purpose other than in watercraft or for propelling motor
vehicles operated or intended to be operated upon the public
highways and having who has paid the motor fuel or special
fuel tax on the fuel either directly to the department of
revenue or by having the tax added to the price of the fuel,
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conditions:

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grinders, stationary engines, aircraft, for producing denatured
alcohol within the state, for cleaning or dyeing, or for any
purpose other than in watercraft or in motor vehicles operated
or intended to be operated upon the public highways.

DELWYN STROMER
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 2395, Sixty-ninth General Assembly.

ELIZABETH A. ISAACSON
Chief Clerk of the House

Approved *May 6* 1982

ROBERT D. RAY
Governor