State of Montana

Office of the Governor

Executive Order No. 12-99

EXECUTIVE ORDER ESTABLISHING THE MOTOR FUEL TAX COLLECTION, ENFORCEMENT AND REFUND ADVISORY COUNCIL

WHEREAS, the Montana Department of Transportation (MDT) is statutorily charged with the collection, refund and administration of the motor fuel tax program in the State of Montana; and

WHEREAS, fuel tax evasion potentially costs the state substantial sums of revenue for highway funding purposes including construction, maintenance and safety of the public; and

WHEREAS, the Montana Constitution provides for, and state statute establishes, a process for refunding fuel taxes collected for off-road uses in which entitlement is often confusing and potentially unfair to taxpayers as well as to the MDT; and

WHEREAS, state law permits MDT to belong to interstate and international associations charged with ensuring that statutory and regulatory enforcement of fuel tax programs are carried out, since they are vital to the establishment and maintenance of a safe and efficient highway system; and

1   WHEREAS, MDT is responsible for the motor fuel tax program

2   and is desirous of determining the best and most efficient way

3   to review, analyze, coordinate and harmonize the processes for

4   collection, enforcement and refunding of motor fuel taxes.

5   NOW, THEREFORE, I, MARC RACICOT, Governor of the State of

6   Montana, in accordance with section 2-15-122, MCA, do hereby

7   establish the Motor Fuel Tax Collection, Enforcement and Refund

8   Advisory Council.

9   I.   PURPOSE

10   The purpose of the Council is to study the state's motor

11   fuel tax laws and regulations and to make recommended changes as

12   necessary to ensure fair, impartial compliance with statutory

13   and constitutional mandates.

14   II. DUTIES.

15   The Council shall:

16   1.   review current fuel tax collection procedures

17   including the audit process, point of taxation and dispute

18   resolution;

19   2.   review the role of MDT and the power and

20   responsibility of the Motor Carrier Services Division to assist

21   in the enforcement of motor fuel tax laws;

22   3.   review the methodology and procedure for determining

23   who is entitled to a tax refund for off-road use and how to most

24   efficiently make the refund process work;

25   4.   invite public input into the deliberations of the

26   Council to ensure maximum participation of all interested groups

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and individuals; and

5. make recommendations to the Governor as to whether statutory or administrative changes are warranted to modify the existing framework of operation regarding the motor fuel tax program.

III. COMPOSITION

The Council shall be composed of no more than 14 members who shall serve at the pleasure of the Governor. The membership shall include representatives of all affected interest groups including but not limited to state government, Montana contractors, Montana agriculture, fuel distributors and legislators. The Council will elect a member to serve as chairperson. The names and addresses of the members of the Council will be submitted by separate letter to the Secretary of State.

IV. ADMINISTERING AGENCY

The Council shall be attached to the Montana Department of Transportation for administrative purposes. The Department shall assist the Council by providing staff and other resources and information as warranted or requested. The Director of the Department or his designee shall be the liaison between the Governor and the Council.
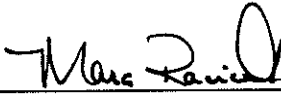
V. COMPENSATION

Members of the council will be compensated as provided in section 2-15-122, MCA. The Department of Transportation is responsible for the statutory expenses of Council members.

VI. **DURATION**

The Council shall exist from the date of this order until December 31, 2000, unless extended or terminated as provided by law.

GIVEN under my hand and the GREAT
SEAL of the State of Montana,
this 26ᵗʰ day of AuGusT, 1999.

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MARC RACICOT, Governor

ATTEST:

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MIKE COONEY, Secretary of State

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