

CHAPTER NO. 609

SENATE BILL NO. 177

INTRODUCED BY TURNAGE

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

IN THE SENATE

January 19, 1979	Introduced and referred to Committee on Taxation.
January 24, 1979	Committee recommend bill do pass. Report adopted.
January 25, 1979	Printed and placed on members' desks.
January 26, 1979	Second reading, do pass.
January 27, 1979	Considered correctly engrossed.
January 29, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

January 30, 1979	Introduced and referred to Committee on Taxation.
April 9, 1979	Committee recommend bill be concurred in. Report adopted.
April 10, 1979	Second reading, concurred in.
April 12, 1979	Third reading, concurred in.

IN THE SENATE

April 12, 1979	Returned from second house. Concurred in. Sent to enrolling. Reported correctly enrolled.
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Senate BILL NO. 177
Turnage

INTRODUCED BY _____
BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE TYPE OF SECURITY THAT GASOLINE DISTRIBUTORS, SPECIAL FUEL DEALERS, AND SPECIAL FUEL USERS MAY FILE WITH THE DEPARTMENT OF REVENUE, AMENDING SECTIONS 15-70-202 AND 15-70-301, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-70-202, MCA, is amended to read:
"15-70-202. License and ~~bond~~ security of gasoline distributors. ~~(1) All gasoline distributors, prior to the commencement of doing business, shall file an application for a license with the department of revenue on forms prescribed and furnished by the department setting forth the information as may be requested by the department. Each distributor shall at the same time file a--corporate--surety bond--or--such--collateral--security--or--indemnity--as--may--be--deemed--sufficient--by--the--department--but--in--no--case--more--than--security--with--the--department--in--an--amount--to--be--determined--by--the--department. However, the required amount of security may not exceed twice the estimated amount of gasoline taxes the distributor will pay to this state each month. Upon approval of the application, the department shall issue to~~

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the distributor a nonassignable license which shall continue in force until surrendered or canceled.

- (2) "Security" means:
 - (a) ~~a bond executed by a distributor as principal with a corporate surety qualified under the laws of Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of this part, including the payment of all taxes and penalties; or~~
 - (b) ~~a deposit made by the distributor with the department, under such conditions as the department may prescribe, of certificates of deposit or irrevocable letters of credit issued by a bank and insured by the federal deposit insurance corporation.~~

Section 2. Section 15-70-301, MCA, is amended to read:
"15-70-301. Definitions. As used in this part, the following definitions shall apply:

- (1) "Bond" means:
 - (a) a bond duly executed by a special fuel dealer or special fuel user as principal with a corporate surety qualified under the laws of Montana, which bond shall be payable to the state of Montana, conditioned upon faithful performance of all requirements of this part, including the payment of all taxes, penalties, and other obligations of such special fuel dealer or special fuel user arising out of this part; or

1 (b) a deposit with the ~~state-treasurer~~ department by
 2 the special fuel dealer or special fuel user, under such
 3 terms and conditions as the department of revenue may
 4 prescribe, of ~~a like amount of lawful money of the United~~
 5 ~~States or bonds or other obligations of the United States or~~
 6 ~~the state of Montana or of any county thereof of an actual~~
 7 ~~market value not less than the amount so fixed by the~~
 8 department certificates of deposit or irrevocable letters of
 9 credit issued by a bank and insured by the federal deposit
 10 insurance corporation.

11 (2) "Department" means the department of revenue.

12 (3) "Motor vehicle" means any vehicle which is
 13 self-propelled upon the highways.

14 (4) "Person" means and includes any person, firm,
 15 association, joint-stock company, syndicate, partnership, or
 16 corporation; whenever used in any clause prescribing and
 17 imposing a fine or imprisonment, or both, as applied to a
 18 firm, association, syndicate, or partnership, means and
 19 includes the partners or members thereof and, as applied to
 20 joint-stock companies and corporations, the officers
 21 thereof.

22 (5) "Public roads and highways of this state" shall
 23 mean all streets, roads, highways, and related structures as
 24 have been or shall be built and maintained with appropriated
 25 funds of the United States and which have been or shall be

1 built and maintained with funds of the state of Montana or
 2 any political subdivision thereof or which have been or
 3 shall be dedicated to public use or have been acquired by
 4 eminent domain or have been acquired by adverse use by the
 5 public, jurisdiction having been assumed by the state or any
 6 political subdivision thereof.

7 (6) "Special fuel" means those combustible gases and
 8 liquids commonly referred to as diesel fuel or any other
 9 volatile liquid of less than 46 degrees A.P.I. (American
 10 petroleum institute) gravity test, except liquid petroleum
 11 gas, when actually sold for use in motor vehicles propelled
 12 upon the public highways or streets within the state of
 13 Montana.

14 (7) "Special fuel dealer" means any person in the
 15 business of handling special fuel who delivers any part
 16 thereof into the fuel supply tank or tanks of a motor
 17 vehicle not then owned or controlled by him. For this
 18 purpose the term "fuel supply tank or tanks" does not
 19 include cargo tanks even though fuel is withdrawn directly
 20 therefrom for propulsion of the vehicle.

21 (8) "Special fuel user" means any person other than a
 22 county, incorporated city or town, or school district of
 23 this state who consumes in this state special fuel for the
 24 propulsion of motor vehicles owned or controlled by him upon
 25 the highways of this state.

LC 0853/01

1 (9) "Use" means either the receipt, delivery, or
2 placing of special fuels by a special fuel dealer into the
3 fuel supply tank or tanks of any motor vehicle not owned or
4 controlled by him while such vehicle is within this state or
5 the consumption by a special fuel user of special fuels in
6 propulsion of a motor vehicle on the highways of this
7 state."

-End-

Approved by Committee
on Taxation

SENATE BILL NO. 177

Senators
Turnage

INTRODUCED BY _____

BY REQUEST OF THE REVENUE OVERSIGHT COMMITTEE

A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE TYPE OF SECURITY THAT GASOLINE DISTRIBUTORS, SPECIAL FUEL DEALERS, AND SPECIAL FUEL USERS MAY FILE WITH THE DEPARTMENT OF REVENUE, AMENDING SECTIONS 15-70-202 AND 15-70-301, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 15-70-202, MCA, is amended to read:

"15-70-202. License and bond security of gasoline distributors. (1) All gasoline distributors, prior to the commencement of doing business, shall file an application for a license with the department of revenue on forms prescribed and furnished by the department setting forth the information as may be requested by the department. Each distributor shall at the same time file a--corporate--surety bond--or--such--collateral--security--or--indemnity--as--may--be--deemed--sufficient--by--the--department--but--in--no--case--more--than--security--with--the--department--in--an--amount--to--be--determined--by--the--department. However, the required amount of security may not exceed twice the estimated amount of gasoline taxes the distributor will pay to this state each month. Upon approval of the application, the department shall issue to

the distributor a nonassignable license which shall continue in force until surrendered or canceled.

(2) "Security" means:

(a) a bond executed by a distributor as principal with a corporate surety qualified under the laws of Montana, payable to the state of Montana, and conditioned upon faithful performance of all requirements of this part, including the payment of all taxes and penalties; or

(b) a deposit made by the distributor with the department, under such conditions as the department may prescribe, of certificates of deposit or irrevocable letters of credit issued by a bank and insured by the federal deposit insurance corporation."

Section 2. Section 15-70-301, MCA, is amended to read:

"15-70-301. Definitions. As used in this part, the following definitions shall apply:

(1) "Bond" means:

(a) a bond duly executed by a special fuel dealer or special fuel user as principal with a corporate surety qualified under the laws of Montana, which bond shall be payable to the state of Montana, conditioned upon faithful performance of all requirements of this part, including the payment of all taxes, penalties, and other obligations of such special fuel dealer or special fuel user arising out of this part; or

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1 (b) a deposit with the ~~state-treasurer~~ department by
 2 the special fuel dealer or special fuel user, under such
 3 terms and conditions as the department of revenue may
 4 prescribe, of ~~a like amount of lawful money of the United~~
 5 ~~States or bonds or other obligations of the United States or~~
 6 ~~the state of Montana or of any county thereof of an actual~~
 7 ~~market value not less than the amount so fixed by the~~
 8 department certificates of deposit or irrevocable letters of
 9 credit issued by a bank and insured by the federal deposit
 10 insurance corporation.

11 (2) "Department" means the department of revenue.

12 (3) "Motor vehicle" means any vehicle which is
 13 self-propelled upon the highways.

14 (4) "Person" means and includes any person, firm,
 15 association, joint-stock company, syndicate, partnership, or
 16 corporation; whenever used in any clause prescribing and
 17 imposing a fine or imprisonment, or both, as applied to a
 18 firm, association, syndicate, or partnership, means and
 19 includes the partners or members thereof and, as applied to
 20 joint-stock companies and corporations, the officers
 21 thereof.

22 (5) "Public roads and highways of this state" shall
 23 mean all streets, roads, highways, and related structures as
 24 have been or shall be built and maintained with appropriated
 25 funds of the United States and which have been or shall be

1 built and maintained with funds of the state of Montana or
 2 any political subdivision thereof or which have been or
 3 shall be dedicated to public use or have been acquired by
 4 eminent domain or have been acquired by adverse use by the
 5 public, jurisdiction having been assumed by the state or any
 6 political subdivision thereof.

7 (6) "Special fuel" means those combustible gases and
 8 liquids commonly referred to as diesel fuel or any other
 9 volatile liquid of less than 46 degrees A.P.I. (American
 10 petroleum institute) gravity test, except liquid petroleum
 11 gas, when actually sold for use in motor vehicles propelled
 12 upon the public highways or streets within the state of
 13 Montana.

14 (7) "Special fuel dealer" means any person in the
 15 business of handling special fuel who delivers any part
 16 thereof into the fuel supply tank or tanks of a motor
 17 vehicle not then owned or controlled by him. For this
 18 purpose the term "fuel supply tank or tanks" does not
 19 include cargo tanks even though fuel is withdrawn directly
 20 therefrom for propulsion of the vehicle.

21 (8) "Special fuel user" means any person other than a
 22 county, incorporated city or town, or school district of
 23 this state who consumes in this state special fuel for the
 24 propulsion of motor vehicles owned or controlled by him upon
 25 the highways of this state.

LC 0853/01

1 (9) "Use" means either the receipt, delivery, or
2 placing of special fuels by a special fuel dealer into the
3 fuel supply tank or tanks of any motor vehicle not owned or
4 controlled by him while such vehicle is within this state or
5 the consumption by a special fuel user of special fuels in
6 propulsion of a motor vehicle on the highways of this
7 state."

-End-

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 22 by the department. However, the required amount of security
 23 may not exceed twice the estimated amount of gasoline taxes
 24 the distributor will pay to this state each month. Upon
 25 approval of the application, the department shall issue to

1 the distributor a nonassignable license which shall continue
 2 in force until surrendered or canceled.

- 3 (2) "Security" means:
 4 (a) a bond executed by a distributor as principal with
 5 a corporate surety qualified under the laws of Montana,
 6 payable to the state of Montana, and conditioned upon
 7 faithful performance of all requirements of this part,
 8 including the payment of all taxes and penalties; or
 9 (b) a deposit made by the distributor with the
 10 department, under such conditions as the department may
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 12 of credit issued by a bank and insured by the federal
 13 deposit insurance corporation."

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15 "15-70-301. Definitions. As used in this part, the
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 23 payment of all taxes, penalties, and other obligations of
 24 such special fuel dealer or special fuel user arising out of
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-End-