

Senate Bill 70

In The Senate

January 7, 1981

Introduced and referred
to Committee on Highways
and Transportation.

January 8, 1981

Fiscal note requested.

January 12, 1981

Fiscal note returned.

January 22, 1981

Committee recommend bill
do not pass.

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INTRODUCED BY *Senators* BILL NO. 70
Robstad *William Nandy*

A BILL FOR AN ACT ENTITLED: "AN ACT TO PROVIDE A SPECIAL FUEL USER THE OPTION OF OBTAINING A SPECIAL FUEL LIMITED USE PERMIT FOR VEHICLES WITH A SPECIAL FUEL TAX THAT IS NOT MORE THAN \$10 A YEAR; AND DELETING RECORDKEEPING AND REPORTING REQUIREMENTS PERTAINING THERETO; AMENDING SECTION 15-70-302, MCA."

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

Section 1. Section 15-70-302, MCA, is amended to read:

"15-70-302. Special fuel dealer's licenses and special fuel user's permits required -- exceptions. (1) It shall be unlawful for any person to act as a special fuel dealer in this state unless such person is the holder of an uncanceled fuel dealer's license issued to him by the department.

(2) ~~Every~~ Except as provided in subsections (3) through (5), every special fuel user shall obtain annually from the department, prior to the use of such special fuel for the propulsion of a motor vehicle or vehicles in this state, a special fuel user's permit and shall at all times display the original or a reproduced copy of the permit in each such vehicle or vehicles operated by him upon the highways as herein defined which shall be exhibited for

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inspection on request of any checking station officer, Montana highway patrol officer, authorized employee of the department, or any other law enforcement officer. The special fuel user shall be responsible for reproducing clear and legible copies of the permit.

(3) A special fuel user's permit is not required of any person whose sole use of special fuel is for the propulsion of a privately operated passenger automobile provided the person purchases special fuel, tax paid, from a licensed special fuel dealer in this state. For purposes of this exemption, a privately operated passenger vehicle does not include a motor vehicle used for the transportation of persons for hire or for compensation or designed, used, or maintained primarily for transportation of property.

(4) Any out-of-state user who operates a special fuel vehicle solely for recreation or for religious, charitable, educational, or other eleemosynary purposes shall secure a special fuel user's courtesy vehicle permit. The permit shall not be transferable and shall be valid for 90 days. Permits will be issued at no cost to the user by the department, scale house personnel, and gross vehicle weight patrol crews. The department may require the user who has fuel capacity in excess of 30 gallons to file a report and pay the tax on fuel used in Montana on which the tax has not been paid.

-2- INTRODUCED BILL
SB70

1 ~~(5) A special fuel user's permit is not required of~~
2 ~~any person who obtains a special fuel limited use permit~~
3 ~~pursuant to [section 2].~~"

4 NEW SECTION. Section 2. Special fuel limited use
5 permit. (1) Any person required to obtain a special fuel
6 user's permit under 15-70-302 may in lieu thereof obtain an
7 annual special fuel limited use permit for any vehicle if
8 he:

9 (a) knows from prior usage or experience it will incur
10 not more than \$10 in special fuel tax during the year and so
11 declares before a notary public on an application form
12 provided by the department; and

13 (b) pays a \$10 permit fee to the department for each
14 such vehicle.

15 (2) A person issued a permit under this section is not
16 required to comply with the recordkeeping requirements of
17 15-70-323 or the return filing provisions of 15-70-325 for
18 vehicles so permitted.

19 (3) A person who files an application for a permit
20 knowing that it contains false information is guilty of
21 false swearing and shall be punished as provided in
22 45-7-202.

23 Section 3. Codification instruction. Section 2 is
24 intended to be codified as an integral part of Title 15,
25 chapter 70, part 3, and except as otherwise provided, the

1 provisions of Title 15, chapter 70, part 3, apply to section
2 2.

-End-

STATE OF MONTANA

REQUEST NO. 60-81

FISCAL NOTE

Form BD-15

In compliance with a written request received January 7, 1981, there is hereby submitted a Fiscal Note for Senate Bill 70 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly.

Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION

An act to provide a special fuel user the option of obtaining a special fuel limited use permit for vehicles with a special fuel tax that is not more than \$10 a year; and deleting recordkeeping and reporting requirement pertaining thereto.

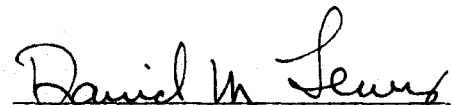
FISCAL IMPACT

This proposal would have a minimal fiscal impact and could be administered without additional expenditures.

TECHNICAL NOTES

The phrase... "knows from prior usage or experience..." is not adequately defined. First, a time frame for "prior" should be specified. Second, the phrase implies that the Motor Fuels Division would have records on each user applying for the limited use permit. If this were not the case, enforcement would be severely limited. Further, once an individual obtained the proposed permit, there is no way to determine whether the individual qualified for the permit in future years since records are not required. Finally, it should be noted that the \$10 limit is reached with the consumption of 91 gallons of fuel at present tax rates.

PREPARED BY THE DEPARTMENT OF REVENUE



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-12-81