

HOUSE BILL NO. 33

1/07 Introduced
1/07 Referred to Taxation
1/07 Fiscal Note Requested
1/10 Fiscal Note Received
1/23 Hearing
2/08 Committee Report-Bill Pass As Amended
2/11 2nd Reading Pass As Amended
2/12 3rd Reading pass

Transmitted to Senate

2/13 Referred to Highways & Transportation
3/21 Hearing
3/29 Adverse Committee Report
3/29 Bill Killed

1 HOUSE BILL NO. 33
 2 INTRODUCED BY KEENAN
 3 BY REQUEST OF THE DEPARTMENT OF REVENUE
 4 AND THE REVENUE OVERSIGHT COMMITTEE

5
 6 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING AN ANNUAL FEE
 7 FOR VEHICLES POWERED BY ALTERNATE FUEL; DEFINING ALTERNATE
 8 FUEL; AND INCREASING THE FEE ON VEHICLES POWERED BY AN
 9 ALTERNATE FUEL; AMENDING SECTIONS 15-71-101, 15-71-102, AND
 10 15-71-104, MCA."

11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 15-71-101, MCA, is amended to read:
 14 "15-71-101. ~~For~~ License tax fee to be collected on
 15 motor vehicles self-propelled by ~~a liquefied--petroleum--gas~~
 16 alternate fuel. (1) The ~~department--of--highways~~ county
 17 treasurer shall, under the rules issued by the department of
 18 revenue, collect or cause to be collected from owners or
 19 operators of motor vehicles powered by any ~~liquefied~~
 20 ~~petroleum-gas~~ alternate fuel an annual license tax fee on
 21 each such vehicle, ~~which license tax fee is prorated on a~~
 22 ~~quarterly-basis-and-may-be-paid-quarterly,-semiannually,-or~~
 23 annually according to the following schedule:

24 (a) passenger cars and pickups whose licensed gross
 25 vehicle weight is 10,000 pounds or less, ~~\$60~~ \$80;

1 (b) motor trucks and truck tractors whose licensed
 2 gross vehicle weight is over 10,000 pounds and less than
 3 18,000 pounds, ~~\$80~~ \$110;

4 (c) motor trucks and truck tractors whose licensed
 5 gross vehicle weight is 18,000 pounds or more and less than
 6 48,000 pounds, ~~\$200~~ \$270;

7 (d) motor trucks and truck tractors whose licensed
 8 gross vehicle weight is 48,000 pounds or more, ~~\$1,700~~
 9 \$1,330.

10 (2) Upon payment of the tax fee required by this
 11 section, the ~~department-of-highways~~ county treasurer shall
 12 provide a certificate to be carried in each vehicle, which
 13 is valid for ~~a the~~ the period no-less-than-a-calendar-quarter-or
 14 ~~for--such-further-calendar-period~~ for which the tax is paid.

15 (3) As used in this chapter, "alternate fuel" means
 16 liquefied petroleum gas, compressed natural gas, hydrogen,
 17 and electricity when actually sold for use or used in motor
 18 vehicles propelled upon the public highways or streets
 19 within the state."

20 Section 2. Section 15-71-102, MCA, is amended to read:

21 "15-71-102. Temporary trip permit required. (1) Upon
 22 entering the state, a nonresident operating any motor
 23 vehicle powered by ~~liquefied-petroleum-gas~~ alternate fuel is
 24 required to purchase ~~a-liquid--petroleum--gas~~ an alternate
 25 fuel temporary trip permit. The permits will be issued by

1 scale house personnel, gross vehicle weight patrol crews,
2 Montana highway patrolmen, and such other enforcing agents
3 as the department of revenue may prescribe.

4 (2) A temporary ~~liquid-petroleum--gas~~ alternate fuel
5 permit shall cost ~~\$20~~ \$30. The permit is valid for a period
6 of time not to exceed 72 hours and will be automatically
7 void if the vehicle leaves the state during this period.
8 Special ~~liquid--petroleum--gas~~ alternate fuel permits,
9 remittance forms, and any other papers necessary for the
10 enforcement of this chapter shall be furnished by the
11 department of highways."

12 Section 3. Section 15-71-104, MCA, is amended to read:

13 "15-71-104. Disposition of funds. ~~All--taxes~~ Five
14 percent of the fees collected by the county treasurer under
15 15-71-101 shall be remitted to the county general fund. The
16 remainder of the fees collected under this chapter shall be
17 turned over promptly to the state treasurer and the state
18 treasurer shall place the same in the state special revenue
19 fund to the credit of the department of highways."

20 NEW SECTION. Section 4. Extension of authority. Any
21 existing authority of the department of revenue to make
22 rules on the subject of the provisions of this act is
23 extended to the provisions of this act.

-End-

STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN 004-85

Form BD-15

In compliance with a written request received January 8, 19 85, there is hereby submitted a Fiscal Note for HB-33 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA). 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 of Proposed Legislation

House Bill 33 provides for an annual fee for vehicles powered by alternative fuel; defining alternative fuels and increasing the fee on vehicles powered by an alternative fuel.

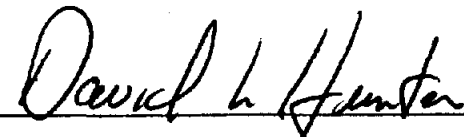
Assumptions

1. The number of L.P.G. permits issued in FY 86 and FY 87 will continue at the same level as FY 84.

Revenues:

Net Revenue to Highway Earmarked Special Revenue Fund

	<u>FY 86</u>	<u>FY 87</u>	<u>Total Biennium</u>
Under Current Law	\$ 176,110	\$ 176,110	
Under Proposed Law	<u>227,026</u>	<u>227,026</u>	
Estimated Increase	\$ <u>50,916</u>	\$ <u>50,916</u>	\$ <u>101,832</u>



BUDGET DIRECTOR
Office of Budget and Program Planning

Date: JAN 10, 1985

Local Impact

5% of the total collections would be retained by the counties.

Revenue to County General Fund

	<u>FY 86</u>	<u>FY 87</u>	<u>Total Biennium</u>
Under Current Law	\$ -0-	\$ -0-	
Under Proposed Law	<u>11,949</u>	<u>11,949</u>	
Estimated Increase	\$ <u>11,949</u>	\$ <u>11,949</u>	<u>\$ 23,898</u>

Long-range Impacts

None anticipated.

Technical Notes

None

APPROVED BY COMMITTEE
ON TAXATION

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8 EXEMPTION FROM THE ANNUAL FEE; DEFINING ALTERNATE FUEL; AND
9 INCREASING THE FEE ON VEHICLES POWERED BY AN ALTERNATE FUEL;
10 AMENDING SECTIONS 15-70-302, 15-71-101, 15-71-102, AND
11 15-71-104, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE
12 FOR CERTAIN SECTIONS."
13

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

15 SECTION 1. SECTION 15-70-302, MCA, IS AMENDED TO READ:

16 "15-70-302. Special fuel dealer's licenses and special
17 fuel user's permits required -- exceptions. (1) It shall be
18 unlawful for any person to act as a special fuel dealer in
19 this state unless such person is the holder of an uncanceled
20 fuel dealer's license issued to him by the department.

21 (2) Every special fuel user shall obtain annually from
22 the department, prior to the use of such special fuel for
23 the propulsion of a motor vehicle or vehicles in this state,
24 a special fuel user's permit and shall at all times display
25 the original or a reproduced copy of the permit in each such

1 vehicle or vehicles operated by him upon the highways as
2 herein defined which shall be exhibited for inspection on
3 request of any checking station officer, Montana highway
4 patrol officer, authorized employee of the department, or
5 any other law enforcement officer. The special fuel user
6 shall be responsible for reproducing clear and legible
7 copies of the permit.

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

17 (4) Any out-of-state user who operates a special fuel
18 or an alternate fuel vehicle solely for recreation or for
19 religious, charitable, educational, or other eleemosynary
20 purposes shall secure a special or alternate fuel user's
21 courtesy vehicle permit. The permit shall not be
22 transferable and shall be valid for 90 days. Permits will be
23 issued at no cost to the user by the department, scale house
24 personnel, and gross vehicle weight patrol crews. The
25 department may require the user who has fuel capacity in

1 excess of 30 gallons to file a report and pay the tax on
2 fuel used in Montana on which the tax has not been paid."

3 Section 2. Section 15-71-101, MCA, is amended to read:

4 "15-71-101. Fax License tax fee to be collected on
5 motor vehicles self-propelled by ~~a-liquefied--petroleum--gas~~
6 alternate fuel. (1) The ~~department--of--highways county~~
7 treasurer shall, under the rules issued by the department of
8 revenue, collect or cause to be collected from owners or
9 operators of motor vehicles powered by any ~~liquefied~~
10 petroleum-gas alternate fuel an annual license tax fee on
11 each such vehicle, ~~which-license-tax-fee-is-prorated-on-a~~
12 quarterly-basis-and-may-be-paid-quarterly, semiannually, or
13 annually WHICH LICENSE TAX FEE IS PRORATED ON A QUARTERLY
14 BASIS AND MAY BE PAID QUARTERLY, SEMIANNUALLY, OR ANNUALLY,
15 according to the following schedule:

16 (a) passenger cars and pickups whose licensed gross
17 vehicle weight is 10,000 pounds or less, ~~\$60~~ \$80;

18 (b) motor trucks and truck tractors whose licensed
19 gross vehicle weight is over 10,000 pounds and less than
20 18,000 pounds, ~~\$80~~ \$110;

21 (c) motor trucks and truck tractors whose licensed
22 gross vehicle weight is 18,000 pounds or more and less than
23 48,000 pounds, ~~\$200~~ \$270;

24 (d) motor trucks and truck tractors whose licensed
25 gross vehicle weight is 48,000 pounds or more, ~~\$1,000~~

1 \$1,330.

2 (2) Upon payment of the tax fee required by this
3 section, the ~~department-of-highways county treasurer~~ shall
4 provide a certificate to be carried in each vehicle, which
5 is valid for ~~a the period no-less-than-a-calendar-quarter-or~~
6 ~~for--such-further-calendar-period~~ for which the tax is paid.

7 (3) As used in this chapter, "alternate fuel" means
8 liquefied petroleum gas, compressed natural gas, hydrogen,
9 and electricity when actually sold for use or used in motor
10 vehicles propelled upon the public highways or streets
11 within the state."

12 Section 3. Section 15-71-102, MCA, is amended to read:

13 "15-71-102. Temporary trip permit required. (1) Upon
14 entering the state, a nonresident operating any motor
15 vehicle powered by ~~liquefied-petroleum-gas~~ alternate fuel is
16 required to purchase ~~a-liquid--petroleum--gas~~ an alternate
17 fuel temporary trip permit. The permits will be issued by
18 scale house personnel, gross vehicle weight patrol crews,
19 Montana highway patrolmen, and such other enforcing agents
20 as the department of revenue may prescribe.

21 (2) A temporary ~~liquid-petroleum--gas~~ alternate fuel
22 permit shall cost ~~\$20~~ \$30. The permit is valid for a period
23 of time not to exceed 72 hours and will be automatically
24 void if the vehicle leaves the state during this period.
25 Special ~~liquid--petroleum--gas~~ alternate fuel permits,

1 remittance forms, and any other papers necessary for the
2 enforcement of this chapter shall be furnished by the
3 department of highways."

4 Section 4. Section 15-71-104, MCA, is amended to read:

5 "15-71-104. Disposition of funds. All--taxes Five
6 percent of the fees collected by the county treasurer under
7 15-71-101 shall be remitted to the county general fund. The
8 remainder of the fees collected under this chapter shall be
9 turned over promptly to the state treasurer and the state
10 treasurer shall place the same in the state special revenue
11 fund to the credit of the department of highways."

12 NEW SECTION. Section 5. Extension of authority. Any
13 existing authority of the department of revenue to make
14 rules on the subject of the provisions of this act is
15 extended to the provisions of this act.

16 NEW SECTION. SECTION 6. EFFECTIVE DATE. SECTION 4
17 AND THIS SECTION ARE EFFECTIVE ON PASSAGE AND APPROVAL, BUT
18 NO RULES PROMULGATED UNDER SECTION 4 MAY BE MADE EFFECTIVE
19 BEFORE OCTOBER 1, 1985.

-End-

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 17 fuel user's permits required -- exceptions. (1) It shall be
 18 unlawful for any person to act as a special fuel dealer in
 19 this state unless such person is the holder of an uncanceled
 20 fuel dealer's license issued to him by the department.

21 (2) Every special fuel user shall obtain annually from
 22 the department, prior to the use of such special fuel for
 23 the propulsion of a motor vehicle or vehicles in this state,
 24 a special fuel user's permit and shall at all times display
 25 the original or a reproduced copy of the permit in each such

1 vehicle or vehicles operated by him upon the highways as
 2 herein defined which shall be exhibited for inspection on
 3 request of any checking station officer, Montana highway
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 11 provided the person purchases special fuel, tax paid, from a
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 22 transferable and shall be valid for 90 days. Permits will be
 23 issued at no cost to the user by the department, scale house
 24 personnel, and gross vehicle weight patrol crews. The
 25 department may require the user who has fuel capacity in



1 excess of 30 gallons to file a report and pay the tax on
2 fuel used in Montana on which the tax has not been paid."

3 Section 2. Section 15-71-101, MCA, is amended to read:

4 "15-71-101. Tax License tax fee to be collected on
5 motor vehicles self-propelled by ~~a-liquefied--petroleum--gas~~
6 alternate fuel. (1) The ~~department--of--highways county~~
7 treasurer shall, under the rules issued by the department of
8 revenue, collect or cause to be collected from owners or
9 operators of motor vehicles powered by any ~~liquefied~~
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11 each such vehicle, ~~which-license-tax-fee-is-prorated-on-a~~
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17 vehicle weight is 10,000 pounds or less, \$60 ~~\$80~~;

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19 gross vehicle weight is over 10,000 pounds and less than
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22 gross vehicle weight is 18,000 pounds or more and less than
23 48,000 pounds, \$200 ~~\$270~~;

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25 gross vehicle weight is 48,000 pounds or more, \$1,000

1 \$1,330.

2 (2) Upon payment of the ~~tax fee~~ fee required by this
3 section, the ~~department-of-highways county treasurer~~ shall
4 provide a certificate to be carried in each vehicle, which
5 is valid for a the period no-less-than-a-calendar-quarter-or
6 ~~for--such-further-calendar-period~~ for which the tax is paid.

7 (3) As used in this chapter, "alternate fuel" means
8 liquefied petroleum gas, compressed-natural-gas, hydrogen,
9 and electricity when actually sold for use or used in motor
10 vehicles propelled upon the public highways or streets
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12 Section 3. Section 15-71-102, MCA, is amended to read:

13 "15-71-102. Temporary trip permit required. (1) Upon
14 entering the state, a nonresident operating any motor
15 vehicle powered by ~~liquefied-petroleum-gas~~ alternate fuel is
16 required to purchase ~~a-liquid--petroleum--gas~~ an alternate
17 fuel temporary trip permit. The permits will be issued by
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19 Montana highway patrolmen, and such other enforcing agents
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5 "15-71-104. Disposition of funds. All--taxes Five
6 percent of the fees collected by the county treasurer under
7 15-71-101 shall be remitted to the county general fund. The
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10 treasurer shall place the same in the state special revenue
11 fund to the credit of the department of highways."

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