

SENATE BILL 253

Introduced by Hofman, S., et al.

1/26	Introduced
1/26	Referred to Taxation
1/27	Fiscal Note Requested
1/31	Fiscal Note Received
2/01	Fiscal Note Printed
2/08	Hearing
2/14	Committee Report--Bill Passed as Amended
2/16	2nd Reading Passed
2/18	3rd Reading Passed

Transmitted to House

2/21	Referred to Taxation
3/29	Hearing
3/31	Tabled in Committee
4/13	Taken From Table by Committee
4/13	Committee Report--Bill Concurred
4/14	2nd Read Concur as Amended Failed

1 *Sen. HARR* BILL NO. *253*  
2 INTRODUCED BY *Huffman, Miller, Anderson*  
3 *HARR*  
4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A SPECIAL  
5 FUEL TAX EXEMPTION FOR PRIVATE SCHOOLS; AMENDING SECTION  
6 15-70-322, MCA; AND PROVIDING AN EFFECTIVE DATE."  
7

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

9 **Section 1.** Section 15-70-322, MCA, is amended to read:

10 "15-70-322. Tax on use of special fuels. (1) Except as  
11 provided in subsection (2), there is hereby--revied--and  
12 imposed a tax on the use of each and every gallon of special  
13 fuel in any motor vehicle while operated upon the highways  
14 equivalent to the lawful tax levied on motor fuel under  
15 15-70-321. ~~Said~~ The tax, with respect to all special fuel  
16 delivered by a special fuel dealer into supply tanks of  
17 motor vehicles in this state, ~~shall attach attaches~~ at the  
18 time of ~~such~~ delivery and ~~shall must~~ be collected by ~~such~~  
19 the special fuel dealer from the special fuel user and ~~shall~~  
20 must be paid over to the department as hereinafter provided  
21 in this part. ~~Said~~ The tax, with respect to special fuel  
22 acquired by any special fuel user in any manner other than  
23 by delivery by a special fuel dealer into a fuel supply tank  
24 of a motor vehicle, ~~shall attach attaches~~ at the time of the  
25 consumption of ~~such~~ the fuel in the propulsion of a motor

1 vehicle upon the highways of the state and ~~shall must~~ be  
2 paid over to the department by the special fuel user as  
3 hereinafter provided in this part. The United States,  
4 Montana and all other states, and the counties, incorporated  
5 cities and towns, and public school districts, and private  
6 schools of this state are exempt from the levy and  
7 imposition of this tax.

8 (2) The tax levied on compressed natural gas is 7  
9 cents per 120 cubic feet of compressed natural gas at 14.73  
10 pounds per square inch absolute base pressure."

11 NEW SECTION. **Section 2.** Extension of authority. Any  
12 existing authority to make rules on the subject of the  
13 provisions of [this act] is extended to the provisions of  
14 [this act].

15 NEW SECTION. **Section 3.** Effective date. [This act] is  
16 effective July 1, 1989.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB253, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

An act providing a special fuel tax exemption for private schools; and providing an effective date.

FISCAL IMPACT:

Revenues from the special fuel tax would be reduced \$0.20 for each gallon of fuel consumed by private schools. An estimate of the total impact of this bill would require knowing the number of private schools in the state, and each school's demand for diesel fuel. This data is not currently available.

The Department of Revenue anticipates no administrative expense impact under this proposal.

Ray Shackelford 1/31/89  
RAY SHACKELFORD, BUDGET DIRECTOR DATE  
Office of Budget and Program Planning

Sam Hofman 1-31-89  
SAM HOFMAN, PRIMARY SPONSOR DATE  
Fiscal Note for SB253, as introduced

**SB 253**

APPROVED BY COMMITTEE  
ON TAXATION

SENATE BILL NO. 253

INTRODUCED BY HOFMAN, NOBLE, ANDERSON, KEATING, HARP

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A SPECIAL  
FUEL TAX EXEMPTION FOR PRIVATE SCHOOLS; AND AMENDING SECTION  
15-70-322, MCA, ~~AND PROVIDING AN EFFECTIVE DATE.~~"

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

**Section 1.** Section 15-70-322, MCA, is amended to read:

"15-70-322. Tax on use of special fuels. (1) Except as  
provided in subsection ~~(2)~~ (3), there is hereby ~~levied and~~  
~~imposed~~ a tax on the use of each ~~and every~~ gallon of special  
fuel in any motor vehicle ~~while~~ operated upon the highways  
equivalent to the lawful tax levied on motor fuel under  
15-70-321. ~~Said~~ The tax, with respect to all special fuel  
delivered by a special fuel dealer into supply tanks of  
motor vehicles in this state, ~~shall attach~~ attaches at the  
time of such delivery and ~~shall must~~ be collected by such  
the special fuel dealer from the special fuel user and ~~shall~~  
must be paid over to the department as hereinafter provided  
in this part. ~~Said~~ The tax, with respect to special fuel  
acquired by any special fuel user in any manner other than  
by delivery by a special fuel dealer into a fuel supply tank  
of a motor vehicle, ~~shall attach~~ attaches at the time of the  
consumption of such the fuel in the propulsion of a motor

vehicle upon the highways of the state and ~~shall must~~ be  
paid over to the department by the special fuel user as  
hereinafter provided in this part. The United States,  
Montana and all other states, and the counties, incorporated  
cities and towns, and public school districts, and, AS  
PROVIDED IN SUBSECTION (2), private schools of this state  
are exempt from the levy and imposition of this tax.

(2) THE EXEMPTION FROM THE TAX ON SPECIAL FUEL FOR  
PRIVATE SCHOOLS, AS PROVIDED IN SUBSECTION (1), APPLIES ONLY  
TO SCHOOL BUSES USED FOR THE TRANSPORTATION OF PUPILS FOR  
SCHOOL-RELATED PURPOSES.

~~(2)(3)~~ The tax levied on compressed natural gas is 7  
cents per 120 cubic feet of compressed natural gas at 14.73  
pounds per square inch absolute base pressure."

NEW SECTION. **Section 2.** Extension of authority. Any  
existing authority to make rules on the subject of the  
provisions of [this act] is extended to the provisions of  
[this act].

NEW SECTION. ~~Section 3.~~ ~~Effective date.~~ ~~[This act]~~  
~~is effective July 17, 1989.~~

-End-

## SENATE BILL NO. 253

INTRODUCED BY HOFMAN, NOBLE, ANDERSON, KEATING, HARP

A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING A SPECIAL FUEL TAX EXEMPTION FOR PRIVATE SCHOOLS; AND AMENDING SECTION 15-70-322, MCA; ~~AND PROVIDING AN EFFECTIVE DATE.~~"

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

Section 1. Section 15-70-322, MCA, is amended to read:

"15-70-322. Tax on use of special fuels. (1) Except as provided in subsection ~~(2)~~ (3), there is hereby ~~levied and imposed~~ a tax on the use of each ~~and every~~ gallon of special fuel in any motor vehicle ~~while~~ operated upon the highways equivalent to the lawful tax levied on motor fuel under 15-70-321. ~~Said~~ The tax, with respect to all special fuel delivered by a special fuel dealer into supply tanks of motor vehicles in this state, ~~shall attach attaches~~ at the time of such delivery and ~~shall must~~ be collected by such the special fuel dealer from the special fuel user and ~~shall must~~ be paid over to the department as hereinafter provided in this part. ~~Said~~ The tax, with respect to special fuel acquired by any special fuel user in any manner other than by delivery by a special fuel dealer into a fuel supply tank of a motor vehicle, ~~shall attach attaches~~ at the time of the consumption of ~~such~~ the fuel in the propulsion of a motor

vehicle upon the highways of the state and ~~shall must~~ be paid over to the department by the special fuel user as hereinafter provided in this part. The United States, Montana and all other states, and the counties, incorporated cities and towns, and public school districts, and, AS PROVIDED IN SUBSECTION (2), private schools of this state are exempt from the levy and imposition of this tax.

(2) THE EXEMPTION FROM THE TAX ON SPECIAL FUEL FOR PRIVATE SCHOOLS, AS PROVIDED IN SUBSECTION (1), APPLIES ONLY TO SCHOOL BUSES USED FOR THE TRANSPORTATION OF PUPILS FOR SCHOOL-RELATED PURPOSES.

~~(2)(3)~~ The tax levied on compressed natural gas is 7 cents per 120 cubic feet of compressed natural gas at 14.73 pounds per square inch absolute base pressure."

NEW SECTION. Section 2. Extension of authority. Any existing authority to make rules on the subject of the provisions of [this act] is extended to the provisions of [this act].

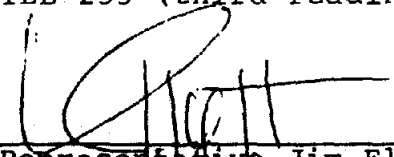
~~NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 1989.~~

-End-

COMMITTEE OF THE WHOLE AMENDMENT  
SENATE BILL 253  
Representative Jim Elliott

April 14, 1989 3:04 pm  
Page 1 of 1

Mr. Chairman: I move to amend SENATE BILL 253 (third reading copy -- blue).

Signed: 

Representative Jim Elliott

And, that such amendment to SENATE BILL 253 read as follows:

1. Page 2, line 8.

Following: "(2)"

Insert: "(a)"

2. Page 2.

Following: line 11

Insert: "(b) For the purposes of [this act] private schools are defined as those that are qualified to provide elementary and secondary education pursuant to section 20-5-109."

ADOPT

REJECT

HOUSE

SB 253