

Senate BILL NO. 355

INTRODUCED BY

Jergason
Em

A BILL FOR AN ACT ENTITLED: "AN ACT ELIMINATING THE 1 PERCENT ALLOWANCE RETAINED BY DISTRIBUTORS FOR COLLECTING THE GASOLINE AND SPECIAL FUEL TAXES; AND AMENDING SECTIONS 15-70-205 AND 15-70-344, MCA."

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

Section 1. Section 15-70-205, MCA, is amended to read:

"15-70-205. (Temporary) Distributor's statement and payment -- confidentiality. (1) Each distributor shall, not later than the 25th day of each calendar month, render a true signed statement to the department of transportation of all gasoline distributed and received by the distributor in this state during the preceding calendar month and containing any other information that the department may reasonably require in order to administer the gasoline license tax law. The statement must be accompanied by a payment in an amount equal to the tax imposed by 15-70-204, less any refund credit issued under 15-70-226 ~~and less 1% of the total tax that may be deducted by the distributor as an allowance for collecting the tax. An allowance may not be deducted from the 3-cent tax on aviation fuel.~~

(2) A distributor engaged in or carrying on a business at more than one place or location in this state may include all places of business in one statement.

(3) The department or a deputy, assistant, agent, clerk, or other employee of the department may not publish or otherwise disseminate information contained in a statement required under this section in a form that allows identification of a distributor or a purchaser of gasoline. This section may not be construed to prohibit:

(a) the delivery to a distributor or the distributor's authorized representative of a certified copy of any return or report filed in connection with the tax;

(b) the inspection by the attorney general or other legal representative of the state of the report or return of a distributor who brings an action to set aside or review the tax based on the report or return or against whom an action or proceeding has been instituted in accordance with the provisions of Title 15;

(c) the publication of statistics classified to prevent the identification of particular reports or returns

1 and the items in the reports or returns;

2 (d) the inspection by the commissioner of internal revenue of the United States or the proper officer
3 or any representative of either officer of the report or return of any distributor or the furnishing to the
4 officer or authorized representative of an abstract of the report or return, but permission must be granted
5 or information must be furnished to the officer or the officer's representative if the statutes of the United
6 States or the other state grant substantially similar privileges to the proper officer of this state charged with
7 the administration of this chapter or in compliance with 15-70-121 and 15-70-122; or

8 (e) the compliance of the department with any order of a court of competent jurisdiction.

9 (Terminates on occurrence of contingency--sec. 17, Ch. 642, L. 1993.)

10 **15-70-205. (Effective on occurrence of contingency) Distributor's statement and payment --**
11 **confidentiality.** (1) Each distributor shall, not later than the 25th day of each calendar month, render a true
12 signed statement to the department of transportation of all gasoline distributed and received by the
13 distributor in this state during the preceding calendar month and containing any other information that the
14 department may reasonably require in order to administer the gasoline license tax law. The statement must
15 be accompanied by a payment in an amount equal to the tax imposed by 15-70-204, less any refund credit
16 issued under 15-70-226 and ~~less 1% of the total tax that may be deducted by the distributor as an~~
17 ~~allowance for collecting the tax. An allowance may not be deducted from the 2-cent tax on aviation fuel.~~

18 (2) A distributor engaged in or carrying on a business at more than one place or location in this
19 state may include all places of business in one statement.

20 (3) The department or a deputy, assistant, agent, clerk, or other employee of the department may
21 not publish or otherwise disseminate information contained in a statement required under this section in
22 a form that allows identification of a distributor or a purchaser of gasoline. This section may not be
23 construed to prohibit:

24 (a) the delivery to a distributor or the distributor's authorized representative of a certified copy of
25 any return or report filed in connection with the tax;

26 (b) the inspection by the attorney general or other legal representative of the state of the report
27 or return of a distributor who brings an action to set aside or review the tax based on the report or return
28 or against whom an action or proceeding has been instituted in accordance with the provisions of Title 15;

29 (c) the publication of statistics classified to prevent the identification of particular reports or returns
30 and the items in the reports or returns;

1 (d) the inspection by the commissioner of internal revenue of the United States or the proper officer
2 or any representative of either officer of the report or return of any distributor or the furnishing to the
3 officer or authorized representative of an abstract of the report or return, but permission must be granted
4 or information must be furnished to the officer or the officer's representative if the statutes of the United
5 States or the other state grant substantially similar privileges to the proper officer of this state charged with
6 the administration of this chapter or in compliance with 15-70-121 and 15-70-122; or

7 (e) the compliance of the department with any order of a court of competent jurisdiction."
8

9 **Section 2.** Section 15-70-344, MCA, is amended to read:

10 **"15-70-344. Distributor's statement and payment -- confidentiality.** (1) Each distributor shall, not
11 later than the 25th day of each calendar month, render to the department of transportation a signed
12 statement that specifies all special fuel distributed and received by the distributor in this state during the
13 preceding calendar month and that contains other information the department may reasonably require in
14 order to administer the special fuel license tax law. The statement must be accompanied by a payment in
15 an amount equal to the tax imposed by 15-70-343, less any refund credit issued under 15-70-356 ~~and less~~
16 ~~1% of the total tax that may be deducted by the distributor as an allowance for collection.~~

17 (2) A distributor engaged in or carrying on a business at more than one location in this state may
18 include all places of business in one statement.

19 (3) The department or a deputy, assistant, agent, clerk, or other employee of the department may
20 not publish or otherwise disseminate information contained in a statement required under this section in
21 a form that allows identification of a distributor or a purchaser of special fuel. This section may not be
22 construed to prohibit:

23 (a) the delivery to a distributor or a distributor's authorized representative of a certified copy of any
24 return or report filed in connection with the distributor's tax;

25 (b) the inspection by the attorney general or by another legal representative of the state of the
26 report or return of a distributor who brings an action to set aside or review the tax based on the report or
27 return or against whom an action or proceeding has been instituted in accordance with the provisions of
28 Title 15;

29 (c) the publication of statistics classified to prevent the identification of particular reports or returns
30 and the items in the reports or returns;

1 (d) the inspection by the commissioner of internal revenue of the United States or by the proper
2 officer of any state imposing a tax on special fuel or by any representative of either officer of the report
3 or return of any distributor or the furnishing to the officer or authorized representative of an abstract of the
4 report or return, but permission must be granted or information must be furnished to the officer or the
5 officer's representative only if the statutes of the United States or the other state grant substantially similar
6 privileges to the proper officer of this state charged with the administration of this chapter or in compliance
7 with 15-70-121 and 15-70-122; or

8 (e) the compliance of the department with any order of a court of competent jurisdiction."

9 -END-

STATE OF MONTANA - FISCAL NOTE

Fiscal Note for SB0355, as introduced

DESCRIPTION OF PROPOSED LEGISLATION:

A bill eliminating the 1 percent allowance retained by distributors for collecting the gasoline and special fuel taxes.

ASSUMPTIONS:

1. The taxable gallons of gasoline and special fuels estimated to be sold in FY98 and FY99, used to estimate the additional revenue, are found in HJR 2.
2. Assume that all taxable gallons of gasoline and special fuels are sold through a distributor.
3. Absence of an effective date in the bill means an October 1, 1997, date, so the FY98 amounts are at 75% of the total.

FISCAL IMPACT:

	<u>FY98</u>	<u>FY99</u>
<u>Revenues:</u>	<u>Difference</u>	<u>Difference</u>
Gasoline Tax	\$993,700	\$1,338,100
Diesel Tax	546,100	735,400
All other fuels	<u>16,100</u>	<u>21,800</u>
Total	\$1,555,900	\$2,095,300
<u>Net Impact on Fund Balance:</u>		
State special (02)	\$1,555,900	\$2,095,300

Dave Lewis 2.18.97
DAVE LEWIS, BUDGET DIRECTOR DATE
Office of Budget and Program Planning

Greg Jergeson 2/19/97
GREG JERGESON, PRIMARY SPONSOR DATE

Fiscal Note for SB0355, as introduced
SB 355