

1 **FUEL TAX AMENDMENTS**

2 2000 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Lloyd W. Frandsen**

5 AN ACT RELATING TO REVENUE AND TAXATION; AMENDING THE MOTOR FUEL  
6 AND SPECIAL FUEL TAX RATE; AND PROVIDING AN EFFECTIVE DATE.

7 This act affects sections of Utah Code Annotated 1953 as follows:

8 AMENDS:

9 **59-13-201**, as last amended by Chapter 283, Laws of Utah 1999

10 *Be it enacted by the Legislature of the state of Utah:*

11 Section 1. Section **59-13-201** is amended to read:

12 **59-13-201. Rate -- Tax basis -- Exemptions -- Revenue deposited in the**  
13 **Transportation Fund -- Restricted account for boating uses -- Refunds.**

14 (1) (a) A tax is imposed at the rate of [~~24~~1/2] 29 cents per gallon upon all motor fuel that  
15 is sold, used, or received for sale or used in this state.

16 (b) A tax is imposed at the rate of 3/19 of the rate imposed under Subsection (1)(a),  
17 rounded up to the nearest penny, upon all motor fuels that meet the definition of clean fuel in  
18 Section 59-13-102 and are sold, used, or received for sale or use in this state.

19 (2) Any increase or decrease in tax rate applies to motor fuel that is imported to the state  
20 or sold at refineries in the state on or after the effective date of the rate change.

21 (3) (a) No tax is imposed upon:

22 (i) motor fuel that is brought into and sold in this state in original packages as purely  
23 interstate commerce sales;

24 (ii) motor fuel that is exported from this state if proof of actual exportation on forms  
25 prescribed by the commission is made within 180 days after exportation;

26 (iii) motor fuel or components of motor fuel that is sold and used in this state and distilled  
27 from coal, oil shale, rock asphalt, bituminous sand, or solid hydrocarbons located in this state; or

28 (iv) motor fuel that is sold to the United States government, this state, or the political  
29 subdivisions of this state where sale and delivery is made in quantities of 750 gallons or more.

30 (b) For purposes of this Subsection (3), the state and its political subdivisions may make  
31 collective purchases for purposes of meeting the 750 gallon requirement, and the state and political  
32 subdivisions may provide for this purchase in any manner approved by the commission.

33 (4) The commission may either collect no tax on motor fuel exported from the state or,  
34 upon application, refund the tax paid.

35 (5) (a) All revenue received by the commission under this part shall be deposited daily  
36 with the state treasurer and credited to the Transportation Fund.

37 (b) An appropriation from the Transportation Fund shall be made to the commission to  
38 cover expenses incurred in the administration and enforcement of this part and the collection of  
39 the motor fuel tax.

40 (6) (a) The commission shall determine what amount of motor fuel tax revenue is received  
41 from the sale or use of motor fuel used in motorboats registered under the provisions of the State  
42 Boating Act, and this amount shall be deposited in a restricted revenue account in the General  
43 Fund of the state.

44 (b) The funds from this account shall be used for the construction, improvement,  
45 operation, and maintenance of state-owned boating facilities and for the payment of the costs and  
46 expenses of the Division of Parks and Recreation in administering and enforcing the State Boating  
47 Act.

48 (7) (a) The United States government or any of its instrumentalities, this state, or a political  
49 subdivision of this state that has purchased motor fuel from a licensed distributor or from a retail  
50 dealer of motor fuel and has paid the tax on the motor fuel as provided in this section is entitled  
51 to a refund of the tax and may file with the commission for a quarterly refund.

52 (b) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the  
53 commission shall make rules governing the application and refund provided for in Subsection  
54 (7)(a).

55 (8) (a) The commission shall refund annually into the Off-Highway Vehicle Account in  
56 the General Fund an amount equal to the lesser of the following:

- 57 (i) .5% of the motor fuel tax revenues collected under this section; or
- 58 (ii) \$850,000.

- 59 (b) This amount shall be used as provided in Section 41-22-19.
- 60 (c) Subsection (8) sunsets on July 1, 2010.
- 61 Section 2. **Effective date.**
- 62 This act takes effect on July 1, 2000.

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**Legislative Review Note**  
**as of 2-1-00 2:10 PM**

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**