

SENATE BILL REPORT

HB 2583

AS REPORTED BY COMMITTEE ON TRANSPORTATION, FEBRUARY 28, 1992

Brief Description: Concerning the use of fuel that is not subject to the vehicle fuel excise tax.

SPONSORS: Representatives Wood, Kremen, Schmidt, Paris, R. Fisher, Beck, Heavey, Orr, Chandler and Winsley

HOUSE COMMITTEE ON TRANSPORTATION

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: Do pass.

Signed by Senators Patterson, Chairman; Nelson, Vice Chairman; von Reichbauer, Vice Chairman; Conner, Erwin, W. Hansen, Madsen, McMullen, Oke, Skratek, Snyder, and Vognild.

Staff: Roger Horn (786-7839)

Hearing Dates: February 28, 1992

BACKGROUND:

Motor vehicle fuel (gasoline) and special fuel (e.g., diesel) used for nonhighway purposes are exempt from motor fuel taxes. One of the purposes eligible for a fuel tax refund is the use of power take-off (PTO) units which include pumps and other equipment powered by a vehicle's engine. PTO users may request a fuel tax refund from the Department of Licensing (DOL).

Under current law, the amount of fuel eligible for a refund may be determined through the use of a metering device or a separate fuel tank, or by using statutory formulas that specifically address certain PTO uses: the pumping of fuel, heating oils, or milk; cement mixer trucks; and garbage truck load compactors. The use of on-board computers in lieu of a metering device is not authorized.

Some users of PTO units are not able to collect a fuel tax refund because they are unable to determine the amount of fuel eligible for refund using the measuring options available in law.

SUMMARY:

For purposes of providing fuel tax refunds, the Department of Licensing is authorized to establish by rule formulas for determining power take-off unit fuel use when direct measurement of the fuel used is not feasible. Formulas may apply to vehicles using motor vehicle fuel or special fuel. The department is also authorized to adopt rules to permit the

use of on-board computers to compile records for determining power take-off unit fuel use. Formulas in statute addressing certain power take-off uses are not changed.

Appropriation: none

Revenue: none

Fiscal Note: available

TESTIMONY FOR: None

TESTIMONY AGAINST: None

TESTIFIED: No one