

1 **SHB 2090 - H AMDS 865 Adopted 4-13-95**

2 By Representative K. Schmidt

3 On page 2, beginning on line 27, strike all of section 3.

4
5 On page 4, line 30 after "46.68.090(1)(1)." insert the
6 following:

7 "The tax exemption refund will be based upon the difference
8 between the amount of tax collected on the original taxable sale
9 invoice and the rebilled taxable sale invoice that reflects the
10 alcohol that is exempt from the motor fuel tax."

11
12 On page 4, line 31, strike all of subsection 4.

13
14 On page 4, line 33, strike all of subsection 5.

15
16 On page 5, line 7, strike "March 28, 1995" and insert
17 "immediately"

18
19 On page 5, after line 8, insert the following:
20 "**Sec. 4.** 1994 c 225 s 3 (uncodified) is amended to read as
21 follows:

22 (1) If a court enters a final order invalidating or
23 remanding section 1 of this act on the grounds that it does not
24 comply with section 13, chapter 2, Laws of 1994, it is the intent
25 of the legislature that (~~(this measure)~~) Laws of 1994, chapter
26 225 as amended be submitted to the people for their adoption,
27 ratification, or rejection, at the next succeeding general
28 election to be held in this state, in accordance with Article II,
29 section 1 of the state Constitution, as amended, and the laws
30 adopted to facilitate the operation thereof.

1 (2) If a court remands this act for a vote of the people,
2 the ballot title shall be substantially as follows: "Shall the
3 alcohol fuel tax exemption given to fuel distributors be
4 eliminated?"

5 (3) If the voters approve the repeal as provided in section
6 1 of this act, the repeal shall be made retroactive to May 1,
7 1994."

8
9 On page 5, after line 8, insert the following:

10 "NEW SECTION. **Sec. 6.** No refunds authorized under this act
11 shall be provided until 1994 c 225 is rejected by the people at
12 the next November general election. Any funds received as taxes
13 paid subject to refunds authorized in section 3 of this act shall
14 be deposited in the Gasohol Exemption Holding Account. The
15 department of licensing is authorized to issue refunds after 1994
16 c 225 has been rejected by the people at the next November
17 general election.

18
19 "NEW SECTION. **Sec. 7.** If any provision of this act or its
20 application to any person or circumstance is held invalid, the
21 remainder of the act or the application of the provision to other
22 persons or circumstance is not affected."

23
EFFECT: The methodology to be used to calculate the tax
refund is specified.

The language that the state shall not pay refunds for taxes
collected up to the time of the court's injunction is
removed solely to avoid the appearance of interfering with a
judicial function (i.e., making a legal determination about
the liability of the state for refunding taxes validly
collected).

2090-S AMH SCHK DOYL 2

ESHB 2326, the original repeal of the gasohol tax exemption, is amended to provide specific notice to gasohol distributors and the voters that the voters' decision on closing the tax loophole will be effective retroactively to May 1, 1994, when the legislature first repealed the exemption.

The act is made effective immediately, except for section 2.