

STATE OF OKLAHOMA

2nd Session of the 46th Legislature (1998)

HOUSE BILL NO. 2752

By: Bonny

AS INTRODUCED

An Act relating to revenue and taxation; amending Section 14, Chapter 345, O.S.L. 1996 (68 O.S. Supp. 1997, Section 500.14), which relates to perfection of certain exemptions from motor fuel tax; providing exception to procedure for claiming a refund from motor fuel tax; providing for diesel fuel decal in lieu of perfecting by refund claim; providing for amount of decal; setting limitations; providing for codification; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY Section 14, Chapter 345, O.S.L. 1996 (68 O.S. Supp. 1997, Section 500.14), is amended to read as follows:

Section 500.14 A. The exemption for use pursuant to paragraph 11 of Section ~~40~~ 500.10 of this ~~act~~ title shall be perfected by a refund claim filed by the consumer who shall provide evidence of an allocation of use satisfactory to the Commission.

B. The exemption for motor fuel pursuant to paragraphs 14 and 15 of Section 10 of this act which fuel was purchased tax paid for a taxable use and was, after the purchase, contaminated by the presence of a dye or marker or subject to a sudden and unexpected casualty loss shall be refunded to the person responsible for the contamination or loss event upon application therefor and on proof shown acceptable to the Commission.

C. Motor fuel tax that has otherwise been erroneously paid by a person shall be refunded by the Commission upon proof shown satisfactory to the Commission. The authority of the Commission under this section shall be broadly construed to prevent unjust and unintended payment of taxes on exempt uses or by exempt users.

D. ~~The~~ Except as provided in Section 2 of this act, the consumer shall apply for a refund with respect to motor fuel purchased by the consumer for consumption in an exempt use described under paragraphs 8 and 13 of Section ~~10~~ 500.10 of this ~~act~~ title as to which the tax imposed by this act had been previously paid and no refund previously issued.

E. The exemption from taxation set forth in paragraph 10 of Section ~~10~~ 500.10 of this ~~act~~ title shall be perfected by the consumer applying for a refund with respect to motor fuel purchased by the consumer for consumption as to which the tax imposed by this act had been previously paid and no refund previously issued. The Commission shall promulgate any necessary rules to administer this exemption.

F. Motor fuel tax that has been paid more than once with respect to the same gallon of motor fuel shall be refunded by the Commission to the person who last paid the tax upon proof satisfactory to the Commission.

SECTION 2. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 500.14A of Title 68, unless there is created a duplication in numbering, reads as follows:

In lieu of the procedure set forth in subsection D of Section 500.14 of Title 68 of the Oklahoma Statutes requiring a consumer to apply for a refund with respect to motor fuel purchased for consumption in an exempt use as described in paragraph 8 of Section 500.10 of Title 68 of the Oklahoma Statutes, a consumer may purchase a annual diesel fuel decal for a flat fee of One Hundred Fifty Dollars (\$150.00). The diesel fuel decal shall entitle the holder to purchase diesel fuel from an agricultural cooperative or similar association or organization for a nonexempt use in lieu of paying the diesel fuel tax as levied pursuant to Section 500.4 of Title 68 of the Oklahoma Statutes. The holder of the diesel fuel decal shall only be entitled to purchase diesel fuel for a nonexempt use at the same time such holder is buying diesel fuel for an exempt use as set forth in paragraph 8 of Section 500.10 of Title 68 of the Oklahoma Statutes. In no event shall the diesel fuel decal provided for in this section be used or accepted at any retail motor fuel facility other than an agricultural cooperative or similar association or organization selling motor fuel exclusively for agricultural use.

SECTION 3. This act shall become effective November 1, 1998.

46-2-8037

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