

# HOUSE BILL REPORT

## HB 1477

---

As Passed House  
March 9, 1993

**Title:** An act relating to fuel tax exemptions for power take-off units.

**Brief Description:** Creating a fuel tax exemption.

**Sponsors:** Representatives Wood, Schmidt, R. Fisher, Mielke, Brumsickle, Ludwig, Casada and Shin.

**Brief History:**

Reported by House Committee on:  
Transportation, February 16, 1993, DP;  
Passed House, March 9, 1993, 98-0.

---

### HOUSE COMMITTEE ON TRANSPORTATION

**Majority Report:** Do pass. Signed by 25 members:  
Representatives R. Fisher, Chair; Brown, Vice Chair; Jones, Vice Chair; Schmidt, Ranking Minority Member; Brough; Brumsickle; Cothorn; Eide; Forner; Fuhrman; Hansen; Heavey; Horn; Johanson; J. Kohl; R. Meyers; Miller; H. Myers; Orr; Patterson; Quall; Sheldon; Shin; Wood; and Zellinsky.

**Staff:** Roger Horn (786-7839).

**Background:** Motor vehicle fuel, gasoline, and special fuel, e.g., diesel, used for nonhighway purposes are exempt from motor fuel taxes. Users may request a fuel tax refund from the Department of Licensing.

One of the purposes eligible for a fuel tax refund is the use of power takeoff (PTO) units which include pumps and other equipment fueled from a vehicle's fuel tank. Accurately determining fuel used by the PTO units may not be practical or possible.

Under current law the amount of exempt fuel 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 onboard 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 of Bill:** For purposes of providing fuel tax refunds, the Department of Licensing is authorized to establish by rule formulas for determining power takeoff 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 onboard computers to compile records for determining power takeoff unit fuel use. Formulas in statute addressing certain power takeoff uses are not changed.

**Fiscal Note:** Available.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Businesses should not be excluded from claiming a legitimate exemption because nonhighway fuel use is difficult to measure. The fuel tax exemption would provide significant and needed relief to small businesses. Metering devices needed to claim the exemption under current law are expensive and inaccurate.

**Testimony Against:** None.

**Witnesses:** Merle Steffenson, Department of Licensing; and Charles Mott, Innovac Vacuum Service.