

SSB 6646 - S AMD 725
By Senator Murray

1 On page 17, after line 4, insert the following:

2 "Sec. 12. RCW 82.38.080 and 1998 c 176 s 60 are each amended to
3 read as follows:

4 (1) There is exempted from the tax imposed by this chapter, the use
5 of fuel for:

6 (a) Street and highway construction and maintenance purposes in
7 motor vehicles owned and operated by the state of Washington, or any
8 county or municipality;

9 (b) Publicly owned fire fighting equipment;

10 (c) Special mobile equipment as defined in RCW 46.04.552;

11 (d) Power pumping units or other power take-off equipment of any
12 motor vehicle which is accurately measured by metering devices that
13 have been specifically approved by the department or which is
14 established by any of the following formulae:

15 (i) Pumping propane, or fuel or heating oils or milk picked up from
16 a farm or dairy farm storage tank by a power take-off unit on a
17 delivery truck, at a rate determined by the department: PROVIDED, That
18 claimant when presenting his or her claim to the department in
19 accordance with this chapter, shall provide to the claim, invoices of
20 propane, or fuel or heating oil delivered, or such other appropriate
21 information as may be required by the department to substantiate his or
22 her claim;

23 (ii) Operating a power take-off unit on a cement mixer truck or a
24 load compactor on a garbage truck at the rate of twenty-five percent of
25 the total gallons of fuel used in such a truck; or

26 (iii) The department is authorized to establish by rule additional
27 formulae for determining fuel usage when operating other types of
28 equipment by means of power take-off units when direct measurement of
29 the fuel used is not feasible. The department is also authorized to
30 adopt rules regarding the usage of on board computers for the
31 production of records required by this chapter;

1 (e) Motor vehicles owned and operated by the United States
2 government;

3 (f) Heating purposes;

4 (g) Moving a motor vehicle on a public highway between two pieces
5 of private property when said moving is incidental to the primary use
6 of the motor vehicle;

7 (h) Transportation services for persons with special transportation
8 needs by a private, nonprofit transportation provider regulated under
9 chapter 81.66 RCW;

10 (i) Vehicle refrigeration units, mixing units, or other equipment
11 powered by separate motors from separate fuel tanks; and

12 (j) The operation of a motor vehicle as a part of or incidental to
13 logging operations upon a highway under federal jurisdiction within the
14 boundaries of a federal area if the federal government requires a fee
15 for the privilege of operating the motor vehicle upon the highway, the
16 proceeds of which are reserved for constructing or maintaining roads in
17 the federal area, or requires maintenance or construction work to be
18 performed on the highway for the privilege of operating the motor
19 vehicle on the highway.

20 (2) There is exempted from the tax imposed by this chapter the
21 removal or entry of special fuel under the following circumstances and
22 conditions:

23 (a) If it is the removal from a terminal or refinery of, or the
24 entry or sale of, a special fuel if all of the following apply:

25 (i) The person otherwise liable for the tax is a licensee other
26 than a dyed special fuel user or international fuel tax agreement
27 licensee;

28 (ii) For a removal from a terminal, the terminal is a licensed
29 terminal; and

30 (iii) The special fuel satisfies the dyeing and marking
31 requirements of this chapter;

32 (b) If it is an entry or removal from a terminal or refinery of
33 taxable special fuel transferred to a refinery or terminal and the
34 persons involved, including the terminal operator, are licensed; and

35 (c)(i) If it is a special fuel that, under contract of sale, is
36 shipped to a point outside this state by a supplier by means of any of
37 the following:

1 (A) Facilities operated by the supplier;

2 (B) Delivery by the supplier to a carrier, customs broker, or
3 forwarding agent, whether hired by the purchaser or not, for shipment
4 to the out-of-state point;

5 (C) Delivery by the supplier to a vessel clearing from port of this
6 state for a port outside this state and actually exported from this
7 state in the vessel.

8 (ii) For purposes of this subsection (2)(c):

9 (A) "Carrier" means a person or firm engaged in the business of
10 transporting for compensation property owned by other persons, and
11 includes both common and contract carriers; and

12 (B) "Forwarding agent" means a person or firm engaged in the
13 business of preparing property for shipment or arranging for its
14 shipment.

15 (3) Notwithstanding any provision of law to the contrary, every
16 urban passenger transportation system and carriers as defined by
17 chapters 81.68 and 81.70 RCW shall be exempt from the provisions of
18 this chapter requiring the payment of special fuel taxes. For the
19 purposes of this section "urban passenger transportation system" means
20 every transportation system, publicly or privately owned, having as its
21 principal source of revenue the income from transporting persons for
22 compensation by means of motor vehicles and/or trackless trolleys, each
23 having a seating capacity for over fifteen persons over prescribed
24 routes in such a manner that the routes of such motor vehicles and/or
25 trackless trolleys, either alone or in conjunction with routes of other
26 such motor vehicles and/or trackless trolleys subject to routing by the
27 same transportation system, shall not extend for a distance exceeding
28 twenty-five road miles beyond the corporate limits of the county in
29 which the original starting points of such motor vehicles are located:
30 PROVIDED, That no refunds or credits shall be granted on special fuel
31 used by any urban transportation vehicle or vehicle operated pursuant
32 to chapters 81.68 and 81.70 RCW on any trip where any portion of said
33 trip is more than twenty-five road miles beyond the corporate limits of
34 the county in which said trip originated.

35 (4) Purchases of biodiesel, natural gas, and liquified petroleum
36 gas by any student transportation program, whether operated by a school
37 district or a commercial chartered bus service, is exempt from the

1 provisions of this chapter requiring payment of special fuel taxes.
2 For purposes of this section, biodiesel must be used at a minimum blend
3 rate of twenty percent by volume."

4 Renumber the remaining sections consecutively and correct any
5 internal references accordingly.

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6 On page 1, line 2 of the title, after "82.08.955," strike "and" and
7 after "82.12.955" insert ", and 82.38.080"

EFFECT: Exempts purchases of biodiesel, natural gas, and liquified petroleum gas by school districts from the special fuel tax.

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