
Transportation Committee

HB 1478

Brief Description: Adjusting fuel tax payment dates.

Sponsors: Representatives Cooper and Hankins.

Brief Summary of Bill

- Adjusting the fuel tax payment date for electronic funds transfers to the State of Washington from the tenth day of the second month following the month in which the fuel is sold, to the twenty-sixth day of the first month following the month of sale.

Hearing Date: 2/11/03

Staff: Jerry Long (786-7306).

Background:

Prior to 1999, motor vehicle fuel taxes and special fuel taxes were due on the next to the last business day of the month following the month in which the fuel was sold. In 1999, the Legislature enacted the "tax at the rack" fuel tax collection method.

As part of that legislation, fuel suppliers were made responsible for the payment of the tax. Currently, there are two processes for the supplier to pay the tax to the state. The payment date for those suppliers remitting fuel tax by electronic funds transfer (mandatory if the amount due is \$50,000 or more) was changed to the tenth day of the second month following the month in which the fuel was sold. If the supplier is paying by mail, the due date is the 25th day of the month following the month in which the fuel was sold.

The fuel tax is submitted by a distributor to the fuel supplier for the fuel that has been purchased from the fuel supplier. At the election of the distributor, payment of the fuel tax shall be submitted to the supplier on terms agreed upon between the distributor and supplier or no later than two business days before the last business day of the following month in which the fuel was purchased.

Summary of Bill:

Motor vehicle fuel taxes and special fuel taxes are due the 26th day of the month following the month in which the fuel is sold when remitting payments by the electronic funds transfer. Mail in payments are unchanged and the provision that allows a distributor to pay the fuel tax to the supplier two days before the last business day of the month following the month in which the fuel is purchased is removed.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.