

MOTOR FUEL TAX REVISIONS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jim Dabakis

House Sponsor: _____

LONG TITLE

General Description:

This bill modifies the Motor and Special Fuel Tax Act by amending provisions relating to certain motor fuel tax deductions.

Highlighted Provisions:

This bill:

▶ requires a motor fuel distributor to:

- pay one half of the 2% motor fuel tax deduction taken for evaporation, loss in handling, and expenses of collection to the retail dealers of motor fuel on the quantities of motor fuel sold to the retail dealers during the period covered by the report; and

- at the time of submitting the report and payment of the motor fuel tax, submit evidence to the satisfaction of the State Tax Commission that from the amount of the 2% deduction, each distributor has paid one half of the deduction to the retail dealers of motor fuel on the quantities sold to the retail dealers during the period covered by the report;

- ▶ provides that a distributor is not eligible to make the 2% motor fuel tax deduction unless the distributor complies with the requirement to pay one half of the deduction to the retail dealers of motor fuel and submit evidence of the payment to the State Tax Commission; and

- ▶ makes technical corrections.



28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **59-13-207**, as enacted by Laws of Utah 1987, Chapter 6

36 *Be it enacted by the Legislature of the state of Utah:*

37 Section 1. Section **59-13-207** is amended to read:

38 **59-13-207. Deductions allowed -- Prorating of deduction to retail dealers.**

39 (1) (a) There is deducted 2% from the gross amount of motor fuel taxable under this
40 part to allow for all evaporation, loss in handling, and expenses of collection. [~~All distributors~~]

41 (b) Every distributor shall report the gross amount of taxable motor fuel which is
42 produced, received, refined, or sold in this state from which [~~this~~] the deduction under this
43 Subsection (1) shall be made.

44 [~~(2) At the time of submitting the report and payment of the tax, the producers and~~
45 ~~refiners shall further~~]

46 (2) Every distributor shall:

47 (a) pay one half of the deduction described in Subsection (1) to the retail dealers of
48 motor fuel on the quantities of motor fuel sold to the retail dealers during the period covered by
49 the report; and

50 (b) at the time of submitting the report and payment of the tax, submit evidence to the
51 satisfaction of the commission that from the amount of the 2% deduction made by [~~them~~] each
52 distributor, one half of the deduction has been paid to the [~~registered~~] retail dealers of motor
53 fuel on the quantities sold to [~~them~~] the retail dealers during the period covered by the report.

54 (3) A distributor is not eligible to make the 2% deduction authorized under this section
55 unless the distributor complies with Subsection (2).

Legislative Review Note
as of 11-22-13 10:21 AM

Office of Legislative Research and General Counsel