

Reported Recommending
Ind. Postponed
Passed House
Failed to Pass House
Passed Senate
Failed to Pass Senate

House File 181

January 31, 1947.

By WEICHMAN, WATSON, FIMMEN,
Motor Vehicles and Transportation. GRAHAM, POSTON.

A BILL FOR

An Act to amend certain sections of chapter three hundred twenty-four (324), Code 1946, relating to motor vehicle fuel tax.

Be It Enacted by the General Assembly of the State of Iowa:

1 Section 1. Repeal subsection one (1) of section three
2 hundred twenty-four point one (324.1), Code, 1946, and enact
3 in lieu thereof the following: "The term 'distributor' shall
4 mean any person who receives from outside the state or who
5 produces, refines, manufactures, compounds, or blends within
6 the state any motor vehicle fuel to be used within the state
7 or sold or otherwise disposed of within the state for use in
8 the state, including any person who shall order the delivery
9 of any motor vehicle fuel from a refinery or marine or pipeline
10 terminal to a point within the state."

1 Sec. 2. Repeal section three hundred twenty-four point
2 two (324.2), Code 1946, and enact in lieu thereof the
3 following: "A license fee of four cents (4c) per gallon or
4 fraction of a gallon is hereby imposed on the sale or use of
5 all motor fuel sold or used in this state for any purpose
6 whatsoever, and on all fuel oil used or sold for the purpose
7 of propelling motor vehicles on the highways of the state,

8 and on all fuel oil used in any maintenance and construction
9 work which is paid for from public funds, except that no
10 license fee shall be imposed on motor vehicle fuel sold and
11 exported from the state of Iowa or on motor vehicle fuel
12 refined at a refinery in this state and stored thereat, or on
13 motor vehicle fuel imported into the state by boat, barge or
14 pipeline and stored at a marine or pipeline terminal so long
15 as the same remains in storage at such refinery, marine or
16 pipeline terminal or on motor vehicle fuel sold to the United
17 States or any of its instrumentalities or agencies, unless
18 permitted by the constitution and laws of the United States,
19 provided however that no license fee shall be imposed on the
20 motor vehicle fuel brought into this state in the ordinary fuel
21 tanks attached to and forming a part of a motor vehicle
22 operating upon the highways where such amount does not exceed
23 twenty gallons in the ordinary automobile and fifty gallons
24 in busses and trucks, and any person bringing into this state
25 in the fuel tanks of any motor vehicle more motor vehicle fuel
26 than here provided shall be guilty of a misdemeanor and shall
27 be punished by a fine of not less than twenty dollars and not
28 more than one hundred dollars or imprisonment in the county
29 jail for not less than ten nor more than thirty days and each
30 such entry shall be considered a separate offense. Said
31 license fee shall be paid to the state of Iowa but once on
32 any particular gallonage of motor vehicle fuel. Any person
33 selling, using or otherwise disposing of motor vehicle fuel

34 within the state shall be liable for the license fees herein
35 provided for, unless the same shall have been previously paid.
36 Said license fee shall be advanced, remitted, collected and
37 paid by the persons and at the time and in the manner hereinafter
38 provided. The said license fees when paid shall be disposed of
39 in the manner hereinafter provided.”

1 Sec. 3. Amend section three hundred twenty-four point
2 fifteen (324.15), Code 1946, by inserting as paragraph one
3 (1) thereof the following: “If while enroute to its destination
4 from storage or refinery without the state or from barge or
5 pipeline terminal within the state, any motor fuel is lost
6 or destroyed by accident not caused by the fault of the
7 carrier of such motor fuel, the treasurer upon proper
8 application and satisfactory proof of such loss may allow
9 the distributor a credit for the tax on the lost gallonage
10 after the tax on said motor fuel has been paid in accordance
11 with the invoiced gallonage of the load. Notice of such
12 loss must be filed with the treasurer within ten days and
13 proof filed within thirty days.”

1 Sec. 4. Amend section three hundred twenty-four point
2 thirty-three (324.33), Code 1946, by inserting after the
3 word “plate” in line forty-five (45) the following: “All
4 conveyances licensed under this section shall be identified
5 with the name or recognized trademark of the company
6 transporting petroleum products. The name or names shall
7 be painted on the vehicle or tankwagon with letters six

8 inches in height or larger.”

1 Sec. 5. Repeal section three hundred twenty-four point
2 fifty (324.50), Code 1946, and enact the following in lieu
3 thereof: “Any person who shall use any motor fuel for the
4 purpose of operating or propelling stationary gas engines,
5 farm tractors or boats or for cleaning or dyeing purposes,
6 or for any other purpose except for use in aircraft and
7 except in motor vehicles operated or intended to be operated
8 upon the public highways, and who shall have paid the license
9 fees for such motor fuel imposed by this chapter, either
10 directly to the treasurer or indirectly by having the same
11 added to the price of such fuel, and who shall have obtained
12 a permit therefor as provided in this chapter, shall be
13 reimbursed and repaid the amount of such license fees so
14 paid, upon presenting to the treasurer a claim for refund,
15 which claim shall be in a form prescribed by the treasurer
16 and shall be verified by the oath of the claimant and shall
17 have attached thereto the original invoice or invoices,
18 serially numbered, showing the purchase of the motor fuel
19 on which a refund is claimed, and shall state the name of
20 the person from whom the motor fuel was purchased, the date
21 of purchase, the total amount of such motor fuel, that the
22 purchase price thereof has been paid and that said price
23 included the motor vehicle fuel license fee payable to the
24 state of Iowa under the provisions of this chapter, that
25 such fuel was used by the claimant otherwise than in aircraft

26 or in motor vehicles operated or intended to be operated upon
27 the public highways, the manner in which said motor fuel was
28 used and the equipment in which it was used. Said claim shall
29 also show whether or not the claimant used fuel for motor
30 vehicles operated upon the public highway from the same tanks
31 or other receptacles from which the motor fuel on which the
32 refund is claimed was kept.

33 "No refund will be paid to any person on any motor
34 vehicle fuel carried in the fuel tank of any motor vehicle
35 entering another state.

36 "No refund shall be made on claims for motor fuel
37 purchased more than three calendar months prior to the filing
38 of the claim for refund."

1 Sec. 6. Amend section three hundred twenty-four point
2 fifty-one (324.51), Code, 1946, by striking the word
3 "aircraft," from line three (3) and the word "vehicle" from
4 line seven (7).

1 Sec. 7. Repeal section three hundred twenty-four
2 point fifty-three (324.53), Code, 1946, and enact in lieu
3 thereof the following: "When motor fuel is sold to a person
4 who shall claim to be entitled to a refund of the motor
5 vehicle fuel license fees herein imposed, the seller of such
6 motor fuel shall make out separate invoices, serially numbered,
7 for each purchase on forms which shall be approved by the
8 treasurer, showing the name and address of the seller and the
9 name and address of the purchaser, the number of gallons of

10 motor fuel so sold written in words and figures, and the nature
11 and kind of fuel so sold, and the date of purchase, and shall
12 state that the purchase price includes the motor vehicle fuel
13 license fee payable to the state of Iowa, and that said price
14 has been paid. All invoices shall be legibly written and
15 shall not be the basis of a refund, if any corrections or
16 erasures appear on the face thereof.”

1 Sec. 8. Repeal section three hundred twenty-four point
2 fifty-four (324.54), Code, 1946, and enact in lieu thereof
3 the following: “No tax refund shall be paid to any person,
4 firm, or corporation on any motor vehicle fuel used in any
5 construction or maintenance work which is paid for from
6 public funds.”

1 Sec. 9. Amend section three hundred twenty-four point
2 fifty-seven (324.57), Code, 1946, by adding the following:
3 “A fee of one dollar (\$1.00) shall be collected by the
4 treasurer from each person to whom a refund permit is issued
5 after July 1, 1947. No refund shall be paid to any person
6 after July 1, 1947, unless said person has first secured a
7 refund permit and paid said fee. A refund permit must be
8 renewed and the license fee paid each two years from date
9 of issuance.”

1 Sec. 10. Amend section three hundred twenty-four point
2 sixty-three (324.63), Code, 1946, by striking the first word
3 “month” in line twenty-seven (27) and inserting in lieu
4 thereof the words “January, April, July and October”, and by

- 5 striking the fifth word "month" in line forty-two (42) and
- 6 inserting in lieu thereof the words "January, April, July
- 7 and October".

EXPLANATION OF H. F. 181

Section 1. (Paragraph 1, Sec. 324.1). Provides for elimination of that portion of the definition of the term "distributor" which makes a person entering the State with excess gallonage in the fuel tank of motor vehicle a distributor and provides in Section 2 (324.2) a penalty for illegal entry.

Section 2. (324.2). Also makes a proper distinction between motor fuel and fuel oil.

Section 3. (324.15). Provides for a credit to distributor for tax paid on gasoline lost enroute to destination.

Section 4. (324.33). Provides for the name and trademark on tank wagons and truck transports hauling motor vehicle fuel.

Section 5. (324.50). Eliminates aircraft from the refund provision, provides for serial numbering of invoices and denies refund on motor vehicle fuel carried in fuel tanks into another state. Refunds for agricultural purposes are not changed.

Section 6. Sales or use tax on vehicle must be paid.

Section 7. Sets out form for seller's invoice and requires to show paid when invoice is presented for refund.

Section 8. (324.54). Denies refund of tax on motor vehicle fuel used in maintenance and construction when paid for from public funds.

Section 9. (324.57). Provides for license fee of \$1.00 for refund permits and renewal each two years.

Section 10. (324.63). Provides for the distribution of the 4th cent tax to counties and towns quarterly instead of monthly.