

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

Senate File 379

February 26, 1947.
Passed on File.

By BEKMAN, BERG, LYNES, FAUL,
SKOURUP, HAWKINS and
MYRLAND.

A BILL FOR

An Act to amend Chapter three hundred twenty-four (324), Code 1946, relating to the Motor Vehicle Fuel License fee or tax, and to revise the method for the allowance of refunds of the license fee or tax paid on motor vehicle fuel used or to be used for purposes other than the propelling of motor vehicles on the highways.

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

- 1 Sec. 1. Section three hundred twenty-four point
- 2 one (324.1), Code of 1946, is hereby amended by adding to
- 3 said section the following:
- 4 “21. The term ‘tax refund motor vehicle fuel shall
- 5 mean any motor vehicle fuel the license fee or tax on
- 6 which may be refunded under this Chapter.
- 7 “22. The terms ‘tax refund motor vehicle fuel dealer’
- 8 shall mean any person licensed under this chapter to sell,
- 9 for use and not for resale, tax refund motor vehicle fuel,
- 10 and to issue to the purchaser as a part of such sale
- 11 transaction, an invoice on which the purchaser may base
- 12 a claim for refund of the license fee or tax paid on
- 13 such motor vehicle fuel.

14 "23. The term 'tax refund motor vehicle fuel
15 purchaser' shall mean any person who has a permit under
16 this chapter to purchase tax refund motor vehicle fuel,
17 for use and not for resale, and receive as a part of
18 purchase transaction, a tax refund motor vehicle fuel
19 invoice which he may use to claim a refund of the license
20 fee or tax paid on such fuel."

1 Sec. 2. Section three hundred twenty-four point
2 seven (324.7), Code 1946, is hereby amended by adding
3 thereto the following:

4 "Any distributor licensed under the provisions of
5 this Chapter as a distributor, may engage in business as
6 a tax refund motor vehicle fuel dealer. It shall be un-
7 lawful to engage in business as a tax refund motor vehicle
8 fuel dealer without having first procured a license there-
9 for in the manner, except as to license fee, provided in
10 Section three hundred twenty-four point seven (324.7),
11 Code 1946, for procuring a license as a liquefied gas
12 dealer. A separate application shall be made to the
13 treasurer by any distributor for each place of business
14 from which he desires to operate as a tax refund motor
15 vehicle fuel dealer. The treasurer shall, for each
16 separate place of business, issue a separate license to
17 engage in business as a tax refund motor vehicle fuel
18 dealer. Such license issued hereunder to engage in
19 business as a tax refund motor vehicle fuel dealer shall

20 bear a distinctive license number and shall expire on the
21 first day of January following its date of issue, or on
22 such other date as the treasurer may determine, but not
23 more than one year after date of issue. A fee of one
24 dollar shall be collected by the treasurer for each such
25 license issued to any tax refund motor vehicle fuel
26 dealer. Any tax refund motor vehicle fuel dealer license
27 issued hereunder is not transferable unless such transfer
28 is authorized by the treasurer.”

1 Sec. 3. Section three hundred twenty-four point
2 fifty-seven (324.57), Code 1946, is hereby amended and
3 revised to read as follows:

4 “324.57. Permit to Purchase Tax Refund Motor
5 Vehicle Fuel.

6 Any person who intends to apply for a refund of the
7 license fee or tax paid on any motor vehicle fuel under
8 the provisions of this chapter, except distributors ap-
9 plying for refund of the tax paid on motor vehicle fuel
10 destroyed by accident before the use or sale thereof,
11 shall, by application under oath to the treasurer, on a
12 form prepared by him, obtain a permit to purchase tax
13 refund motor vehicle fuel. Such application shall state
14 among other things, the name, address and occupation of
15 the applicant, the nature of the business, and a suffi-
16 cient description for identification of machines and
17 equipment in which the tax refund motor fuel is

18 to be used, and for which refund may be claimed under
19 such permit.

20 If the treasurer finds that the statements con-
21 tained in the application are true and satisfactory, he
22 shall issue to the applicant a permit to purchase tax
23 refund motor vehicle fuel. Such permit shall bear a
24 distinctive permit number and shall expire on the first
25 day of January following its date of issue, or on such
26 other date as the treasurer may determine, but not more
27 than one year after the date of issue. A fee of one
28 dollar shall be collected by the treasurer for each
29 permit issued to purchase tax refund motor vehicle fuel.
30 The treasurer shall keep a permanent record of all permits
31 issued to purchase tax refund motor vehicle fuel. He
32 shall also keep a cumulative record of the amount of
33 refund claimed and paid under each permit.

34 Such permit shall be obtained before purchasing any
35 tax refund motor vehicle fuel on which the purchaser intends
36 to apply for a refund of the motor vehicle fuel license
37 fee or tax.

38 It shall be unlawful to purchase, without a permit there-
39 for, any tax refund motor vehicle fuel on which the purchaser
40 intends to apply for a refund, or to request or receive a
41 tax refund motor vehicle fuel invoice on which the purchaser
42 may later base a claim for refund.”

2 one (324.31), Code 1946, is hereby amended by adding to said
3 section the following:

4 "In like manner the treasurer may revoke and cancel any
5 permit to purchase or license to sell, tax refund motor
6 vehicle fuel, issued under this chapter, if he has reason
7 to believe that the permit holder, or licensee, as the case
8 may be, has made any false statements in connection with
9 his application for such permit or license or in connection
10 with the purchase or sale of any tax refund motor vehicle
11 fuel, or in connection with any claim for refund of the
12 tax paid on such fuel, or has in any manner changed, altered
13 or tampered with any tax refund motor vehicle fuel invoice,
14 or has fraudulently issued any such invoice, or has used
15 any tax refund motor vehicle fuel in any manner contrary
16 to the provisions of this Chapter, or has issued any tax
17 refund motor vehicle fuel invoice to any person who at the
18 time of the issuance of such invoice did not have a valid
19 permit to purchase tax refund motor vehicle fuel, or has
20 issued such invoice at any time after the sale and
21 delivery of such tax refund motor vehicle fuel or has
22 failed to make proper accounting for all tax refund motor
23 vehicle fuel purchase invoice blank forms furnished to him by the
24 treasurer, or has violated any other provisions of this
25 Chapter. No other permit or license, as the case may
26 be, shall be issued to such person for a period of one
27 year after the date of such cancellations."

1 Sec. 5. Section three hundred twenty-four point
2 fifty (324.50), Code 1946, is hereby amended and revised
3 to read as follows:

4 “324.50. Refund authorized. Application for Refund.

5 The license fee or tax paid on any one purchase of
6 forty (40) gallons or more of motor vehicle fuel used
7 for any purpose except (a) to propel motor vehicles
8 operated on the public highways of the state, and
9 (b) in or on account of any construction or maintenance
10 work which is paid for from public funds, shall be
11 refunded to the person who purchased and used, or intends
12 to use, such fuel, and thus directly or indirectly paid
13 said license fee or tax. Such refund shall be payable
14 to such person upon his filing with the treasurer within
15 ninety (90) days after the fuel was purchased, a claim
16 in the manner and form required, and subject to the
17 conditions imposed by this chapter, and upon the
18 approval of such claim by the treasurer.

19 Any person who intends to claim a refund for the
20 license fee or tax paid on any motor vehicle fuel
21 purchased and used or to be used by him, shall, as a
22 condition precedent to filing such refund, claim,
23 (a) Procure from the treasurer, before purchasing such
24 fuel, a permit to purchase tax refund motor vehicle
25 fuel, (b) purchase such fuel from a dealer who is
26 licensed by the treasurer to sell tax refund motor

27 vehicle fuel, and (c) procure from such dealer at the
28 time of delivery of the tax refund motor vehicle fuel so
29 purchased, a tax refund motor vehicle fuel invoice for
30 each single purchase of forty (40) gallons or more of
31 such fuel. Any claims presented to the treasurer
32 claiming a refund of the license fee or tax paid on
33 any tax refund motor vehicle fuel shall (a) be on a
34 form prescribed by the treasurer, (b) be verified by the
35 oath of the claimant, (c) state the permit number of the
36 claimant, (d) state the name and license number of the
37 dealer from whom the motor vehicle fuel was purchased,
38 (e) state the date of the purchase, (f) have attached
39 thereto the original refund motor vehicle fuel invoice
40 or invoices issued by the licensed dealer when the fuel
41 was delivered showing the tax refund motor vehicle fuel
42 on which refund is claimed, (g) state the total amount
43 of such tax refund motor vehicle fuel on which such
44 refund is claimed, (h) state that the purchase price of
45 such fuel has been paid and that said purchase price
46 included the motor vehicle fuel license fee or tax
47 payable to the state under the provisions of this
48 chapter, (i) state that such fuel was used or intended
49 to be used by the claimant otherwise than to propel motor
50 vehicles operated or intended to be operated on the public
51 highways of the state, and otherwise than in or on account
52 of any construction or maintenance work which is paid for

53 from public funds, (j) state the manner in which such
54 motor vehicle fuel was used, (k) state the location of
55 the industry or business in which, or the land on which
56 the motor vehicle fuel was used, together with the number
57 of cultivated acres of land and the acreage of each kind
58 of crops grown or produced on such land, (l) include
59 such information as the treasurer may require.”

1 Sec. 6. Section three hundred twenty-four point
2 fifty-one (324.51), Code 1946, is hereby amended by
3 adding the following to said section:

4 “No refund shall be made on claims filed with the
5 treasurer,

6 (a) If the claimant did not at the time any such
7 fuel was purchased, have a valid permit to purchase tax
8 refund motor vehicle fuel;

9 (b) If the dealer who sold any such fuel did not,
10 at the time of such sale, have a valid license to sell
11 tax refund motor vehicle fuel;

12 (c) On account of motor vehicle fuel purchased
13 more than ninety (90) days prior to the filing of the
14 claim;

15 (d) On any single purchase of less than forty (40)
16 gallons of tax refund motor vehicle fuel;

17 (e) Unless the claim includes a statement that the
18 machinery owned by the claimant in which the tax refund
19 motor vehicle fuel was used, was included in the

20 claimant's personal tax list for the preceding year,
21 or that he owned no machinery on which personal taxes
22 might have been levied during such year;

23 (f) Unless the claim for refund is accompanied by
24 the original invoice on tax refund motor vehicle fuel
25 invoice forms furnished to the dealer by the treasurer,
26 showing for each separate purchase the license number
27 of the tax refund motor vehicle fuel dealer from which
28 the tax refund motor vehicle fuel was purchased, and the
29 permit number of the claimant;

30 (g) On account of any motor vehicle fuel used in or
31 on account of any construction or maintenance work
32 which is paid for from public funds;

33 (h) If the tax refund motor vehicle fuel invoices
34 accompanying such claim were made out by a tax refund
35 motor vehicle fuel dealer to himself or to a business
36 or industry in which such dealer is financially interested,
37 or if such invoices were made out by an agent or employee
38 of such dealer."

1 Sec. 7. Section three hundred twenty-four point
2 fifty-three (324.53), Code 1946, is hereby amended and
3 revised to read as follows:

4 "324.53. Tax Refund Motor Vehicle Fuel Invoices.

5 The treasurer shall issue, free of charge, to each
6 licensed tax refund motor vehicle fuel dealer, a book or
7 books of tax refund motor vehicle fuel blank invoice forms.

8 The treasurer shall keep accurate record of such books
9 of blank invoice forms, and the serial number of the
10 blank invoice forms in each book, issued to each such
11 licensed dealer. Such licensed dealer shall at all times
12 account for all books of such blank invoice forms issued
13 to him by the treasurer, and shall also account for all
14 such blank invoice forms in each such book.

15 Any tax refund motor vehicle fuel blank invoice forms
16 which are mutilated or otherwise unusable, must be returned
17 to the treasurer by the dealer. Any such blank invoice
18 forms which are lost or destroyed must be, immediately
19 upon the discovery of such loss or destruction, reported
20 to the treasurer by such dealer, with full explanation
21 of the circumstances which caused the loss or destruc-
22 tion of such invoice blank forms. The treasurer shall
23 issue no additional books of tax refund motor vehicle
24 fuel blank invoice forms to any such licensed dealer
25 until such dealer has made proper accounting for such
26 blank invoice form theretofore issued to such dealer.
27 Tax refund motor vehicle fuel blank invoice forms shall
28 not be transferred or assigned unless such transfer or
29 assignment is approved by the treasurer.

30 On any delivery of forty (40) gallons or more of
31 tax refund motor vehicle fuel to a person who holds a
32 permit to purchase tax refund motor vehicle fuel, the
33 dealer shall thereupon make out an invoice for such

34 fuel.

35 Any invoice for tax refund motor vehicle fuel made
36 out by any licensed dealer in such fuel, to a purchaser
37 who has a permit from the treasurer to purchase tax refund
38 motor vehicle fuel, shall be only on tax refund motor
39 vehicle fuel blank invoice forms furnished by the
40 treasurer. Said invoice shall be identified by a dis-
41 tinctive serial number which shall not be repeated in
42 that calendar year. Such invoice shall show (a) the
43 name and the license number of the dealer who sold such
44 tax refund motor vehicle fuel, (b) the name and permit
45 number of the person who purchased such fuel, (c) the
46 number of gallons stated in both words and figures, of
47 tax refund motor vehicle fuel thus sold and delivered,
48 (d) the date on which such delivery of fuel was made,
49 (e) the purpose, as stated by the purchaser, for which
50 such fuel is intended to be used, (f) the price paid,
51 or to be paid, for such motor vehicle fuel, (g) whether
52 the price includes the tax on such fuel, (h) the place
53 of delivery of such fuel, (i) the signature of the
54 purchaser or of the agent of the purchaser actually
55 making the purchase, (j) the signature of the dealer
56 actually making the delivery, (k) a statement that the
57 tax refund motor vehicle fuel covered by the invoice has
58 been dyed or chemically treated, if required by the
59 treasurer, and (l) such other information as the treasurer

60 may require.

61 A tax refund motor vehicle fuel dealer shall not make
62 out, nor deliver to any purchaser, any tax refund motor
63 vehicle fuel invoice for any sale of less than forty
64 (40) gallons of such fuel.

65 Such invoice of tax refund motor vehicle fuel pur-
66 chased shall be and constitute the fundamental basis on
67 which the purchaser of such fuel may claim a refund for
68 the tax paid on such fuel. Such invoice shall be made out
69 by the dealer or his agent at the time when the fuel is
70 delivered and not thereafter. The dealer who sells such
71 fuel shall make out and deliver such invoice only to the
72 purchaser who holds a valid permit from the treasurer
73 to buy tax refund motor vehicle fuel.

74 Invoices for the sale of tax refund motor vehicle
75 fuel shall be made out in triplicate by the dealer or
76 his agent who sold such fuel. Double-faced carbon shall
77 be used in making out such invoices. The first duplicate
78 copy of such invoice shall be carboned on both sides.
79 The dealer shall give the original copy of such invoice
80 to the purchaser of the tax refund motor vehicle fuel.
81 The second duplicate copy of the invoice shall be retained
82 by the dealer at his place of business for a period of
83 three years, in the same manner and subject to the same
84 examination as required by this chapter for other records
85 of motor vehicle fuels.

86 The first duplicate copy of all invoices on sales
87 of tax refund motor fuel issued by any such dealer,
88 shall be forwarded by the dealer to the treasurer at the
89 same time and in the same manner as required by this
90 chapter for filing with the treasurer other records and
91 reports relating to motor vehicle fuel tax transactions,
92 or at such other time and in such manner as the treasurer
93 may require.

94 A tax refund motor vehicle fuel dealer shall not issue
95 a tax refund motor vehicle fuel invoice to himself or to
96 any business or industry in which he is financially in-
97 terested. Nor shall his employee or agent issue such
98 invoice on behalf of such dealer. A violation of this
99 provision shall constitute grounds for the revocation
100 of such dealer's license."

1 Sec. 8. Section three hundred twenty-four point
2 fifty-four (324.54), Code 1946, is hereby amended and
3 revised to read as follows:

4 "All tax refund motor vehicle fuel delivered by the
5 dealer to the purchaser shall be placed in a special
6 storage container or containers, and each container must
7 have a readily visible label in clearly legible letters
8 at least two inches in height, bearing the words "Tax
9 Refund Motor Vehicle Fuel". It shall be unlawful for
10 any person to remove any tax refund motor vehicle fuel
11 from any such special storage container and use such

12 tax refund motor vehicle fuel in any motor vehicle
13 operated or intended to be operated upon any public
14 highway of the state, except in farm tractors or other
15 implements of husbandry while passing from one field to
16 another to cultivate or harvest farm crops, or use such
17 tax refund motor vehicle fuel in or on account of any
18 construction or maintenance work which is paid for from
19 public funds.”