

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 338

BY WAYS AND MEANS COMMITTEE

AN ACT

RELATING TO FUELS; AMENDING SECTION 63-2407, IDAHO CODE, TO DELETE CERTAIN DEDUCTIONS; DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 63-2407, Idaho Code, be, and the same is hereby amended to read as follows:

63-2407. DEDUCTIONS AUTHORIZED. Each licensed distributor shall deduct from his monthly report:

(1) Motor fuel exported from this state other than in the supply tanks of motor vehicles, motor boats or aircraft when supported by a shipping document, an invoice signed by the purchaser, or other proper documents approved by the commission but only if:

- (a) The purchaser is not a licensed distributor and the seller can establish that any tax due in the jurisdiction to which the motor fuel is destined is paid; or
- (b) The purchaser is a licensed distributor in the jurisdiction to which the motor fuel is destined.

(2) Motor fuel returned to a licensed distributor's refinery or pipeline terminal storage when supported by proper documents approved by the commission.

(3) Motor fuel lost or destroyed by fire, lightning, flood, tornado, windstorm, explosion, or other accidental casualty, after presenting to the commission satisfactory proof of loss.

(4) The number of gallons which would be equal to two percent (2%) of the total number of gallons received during the reporting period, less the total number of gallons deducted under subsections (1) through (3) of this section, which credit is granted to the licensed distributor to reimburse him for loss from evaporation, handling, spillage and shrinkage, except losses caused by casualty as provided in subsection (3) of this section.

(5) Motor fuel sold to the Idaho national guard for use in aircraft and in vehicles used off public highways provided, however, such deduction is supported by an exemption certificate signed by an authorized officer of the Idaho national guard.

~~(6) In the case of motor fuel that is:~~

~~(a) Gasohol, deduct the number of gallons of denatured anhydrous ethanol contained in gasohol imported or blended during the reporting period and that would be taxable in the report but for the deduction allowed by this subsection.~~

~~(b) Biodiesel, deduct the number of gallons that are sold during the month to which the report relates to any person other than a licensed distributor.~~

~~(c) A biodiesel blend, deduct the number of gallons of biodiesel contained in the biodiesel blend imported, blended or received from a licensed distributor who is a biodiesel producer during the month to which the report relates. In the case of a licensed distributor who is a biodiesel producer, the deduction is only available when the producer~~

1 ~~sells its biodiesel blends to a person who is not a motor fuel distributor licensed in this~~
2 ~~state.~~

3 ~~(d) The deduction provided in this subsection shall not exceed ten percent (10%) of (i)~~
4 ~~the volume of gasohol reported on the report or (ii) the special fuel which is or contains~~
5 ~~biodiesel.~~

6 ~~(e) The deduction allowed by paragraphs (b) and (c) of this subsection is only available~~
7 ~~for motor fuel otherwise subject to tax under this chapter.~~

8 SECTION 2. An emergency existing therefor, which emergency is hereby declared to
9 exist, this act shall be in full force and effect on and after June 1, 2009.