

# House Bill 2653

Sponsored by Representative GREENLICK; Representative BEYER

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Increases fuel tax and motor carrier taxes. Schedules future increases of fuel tax every five years.

## A BILL FOR AN ACT

1  
2 Relating to vehicle taxes; amending ORS 319.020, 319.530, 825.476 and 825.480; and providing for  
3 revenue raising that requires approval by a three-fifths majority.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 319.020 is amended to read:

6 319.020. (1) Subject to subsections (2) to (4) of this section, in addition to the taxes otherwise  
7 provided for by law, every dealer engaging in the dealer's own name, or in the name of others, in  
8 the first sale, use or distribution of motor vehicle fuel or aircraft fuel or withdrawal of motor vehicle  
9 fuel or aircraft fuel for sale, use or distribution within areas in this state within which the state  
10 lacks the power to tax the sale, use or distribution of motor vehicle fuel or aircraft fuel, shall:

11 (a) Not later than the 25th day of each calendar month, render a statement to the Department  
12 of Transportation of all motor vehicle fuel or aircraft fuel sold, used, distributed or so withdrawn  
13 by the dealer in the State of Oregon as well as all such fuel sold, used or distributed in this state  
14 by a purchaser thereof upon which sale, use or distribution the dealer has assumed liability for the  
15 applicable license tax during the preceding calendar month.

16 (b) Except as provided in ORS 319.270, pay a license tax computed on the basis of [24] **29** cents  
17 per gallon on the first sale, use or distribution of such motor vehicle fuel or aircraft fuel so sold,  
18 used, distributed or withdrawn as shown by such statement in the manner and within the time pro-  
19 vided in ORS 319.010 to 319.430. **On January 1, 2013, and on January 1 of each fifth year**  
20 **thereafter, the license tax is increased by five cents.**

21 (2) When aircraft fuel is sold, used or distributed by a dealer, the license tax shall be computed  
22 on the basis of nine cents per gallon of fuel so sold, used or distributed, except that when aircraft  
23 fuel usable in aircraft operated by turbine engines (turbo-prop or jet) is sold, used or distributed, the  
24 tax rate shall be one cent per gallon.

25 (3) In lieu of claiming refund of the tax paid on motor vehicle fuel consumed by such dealer in  
26 nonhighway use as provided in ORS 319.280, 319.290 and 319.320, or of any prior erroneous payment  
27 of license tax made to the state by such dealer, the dealer may show such motor vehicle fuel as a  
28 credit or deduction on the monthly statement and payment of tax.

29 (4) The license tax computed on the basis of the sale, use, distribution or withdrawal of motor  
30 vehicle or aircraft fuel shall not be imposed wherever such tax is prohibited by the Constitution or  
31 laws of the United States with respect to such tax.

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

**SECTION 2.** ORS 319.530 is amended to read:

319.530. (1) To compensate this state partially for the use of its highways, an excise tax hereby is imposed at the rate of [24] **29** cents per gallon on the use of fuel in a motor vehicle. Except as otherwise provided in subsections (2) and (3) of this section, 100 cubic feet of fuel used or sold in a gaseous state, measured at 14.73 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel.

(2) One hundred twenty cubic feet of compressed natural gas used or sold in a gaseous state, measured at 14.73 pounds per square inch of pressure at 60 degrees Fahrenheit, is taxable at the same rate as a gallon of liquid fuel.

(3) One and three-tenths liquid gallons of propane at 60 degrees Fahrenheit is taxable at the same rate as a gallon of other liquid fuel.

**(4) On January 1, 2013, and on January 1 of each fifth year thereafter, the rate of excise tax in subsection (1) of this section is increased by five cents.**

**SECTION 3.** ORS 825.476 is amended to read:

825.476.

MILEAGE TAX RATE TABLE "A"

Declared Combined Weight Groups (Pounds)	Fee Rates Per Mile (Mills)
26,001 to 28,000	[40.0] _____
28,001 to 30,000	[42.4] _____
30,001 to 32,000	[44.3] _____
32,001 to 34,000	[46.3] _____
34,001 to 36,000	[48.1] _____
36,001 to 38,000	[50.6] _____
38,001 to 40,000	[52.5] _____
40,001 to 42,000	[54.4] _____
42,001 to 44,000	[56.4] _____
44,001 to 46,000	[58.3] _____
46,001 to 48,000	[60.2] _____
48,001 to 50,000	[62.2] _____
50,001 to 52,000	[64.5] _____
52,001 to 54,000	[66.9] _____
54,001 to 56,000	[69.4] _____
56,001 to 58,000	[72.3] _____
58,001 to 60,000	[75.6] _____
60,001 to 62,000	[79.5] _____
62,001 to 64,000	[83.9] _____
64,001 to 66,000	[88.7] _____
66,001 to 68,000	[95.0] _____
68,001 to 70,000	[101.7] _____
70,001 to 72,000	[108.4] _____
72,001 to 74,000	[114.6] _____

1	74,001 to 76,000	[120.5]	_____
2	76,001 to 78,000	[126.3]	_____
3	78,001 to 80,000	[131.6]	_____

4

5

6

AXLE-WEIGHT MILEAGE

7

TAX RATE TABLE "B"

8	Declared Combined	Number of Axles				
9	Weight Groups	5	6	7	8	9 or
10	(Pounds)	(Mills)				
11	80,001 to 82,000	[135.9]	124.3	116.2	110.4	104.1]
12		_____	_____	_____	_____	_____
13	82,001 to 84,000	[140.3]	126.3	118.1	111.8	105.5]
14		_____	_____	_____	_____	_____
15	84,001 to 86,000	[144.5]	129.2	120.0	113.2	107.0]
16		_____	_____	_____	_____	_____
17	86,001 to 88,000	[149.4]	132.0	121.9	115.2	108.4]
18		_____	_____	_____	_____	_____
19	88,001 to 90,000	[155.2]	135.4	123.9	117.1	110.4]
20		_____	_____	_____	_____	_____
21	90,001 to 92,000	[161.9]	139.3	125.7	119.0	112.3]
22		_____	_____	_____	_____	_____
23	92,001 to 94,000	[169.2]	143.1	127.7	120.9	113.8]
24		_____	_____	_____	_____	_____
25	94,001 to 96,000	[176.9]	147.5	130.1	122.9	115.6]
26		_____	_____	_____	_____	_____
27	96,001 to 98,000	[185.1]	152.8	133.0	124.9	117.6]
28		_____	_____	_____	_____	_____
29	98,001 to 100,000		[158.5]	135.9	127.2	119.5]
30			_____	_____	_____	_____
31	100,001 to 102,000			[138.8]	130.1	121.5]
32				_____	_____	_____
33	102,001 to 104,000			[141.7]	133.0	123.9]
34				_____	_____	_____
35	104,001 to 105,500			[145.5]	135.9	126.3]
36				_____	_____	_____

37

38

39 **SECTION 4.** ORS 825.480 is amended to read:

40 825.480. (1)(a) In lieu of other fees provided in ORS 825.474, carriers engaged in operating motor  
 41 vehicles in the transportation of logs, poles, peeler cores or piling may pay annual fees for such  
 42 operation computed at the rate of [six dollars and ten cents] \_\_\_\_\_ for each 100 pounds of declared  
 43 combined weight.

44 (b) Any carrier electing to pay fees under this method may, as to vehicles otherwise exempt from  
 45 taxation, elect to be taxed on the mileage basis for movements of such empty vehicles over public

1 highways whenever operations are for the purpose of repair, maintenance, servicing or moving from  
 2 one exempt highway operation to another.

3 (2) The annual fees provided in subsections (1), (4) and (5) of this section may be paid on a  
 4 monthly basis. Any carrier electing to pay fees under this method may not change an election during  
 5 the same calendar year in which the election is made, but may be relieved from the payment due  
 6 for any month on a motor vehicle which is not operated. A carrier electing to pay fees under this  
 7 method shall report and pay these fees on or before the 10th of each month for the preceding  
 8 month's operations. A monthly report shall be made on all vehicles on the annual fee basis including  
 9 any vehicle not operated for the month.

10 (3)(a) In lieu of the fees provided in ORS 825.470 to 825.474, motor vehicles described in ORS  
 11 825.024 with a combined weight of less than 46,000 pounds that are being operated under a permit  
 12 issued under ORS 825.102 may pay annual fees for such operation computed at the rate of [*five*  
 13 *dollars*] \_\_\_\_\_ for each 100 pounds of declared combined weight.

14 (b) The annual fees provided in this subsection shall be paid in advance but may be paid on a  
 15 monthly basis on or before the first day of the month. A carrier may be relieved from the fees due  
 16 for any month during which the motor vehicle is not operated for hire if a statement to that effect  
 17 is filed with the Department of Transportation on or before the fifth day of the first month for which  
 18 relief is sought.

19 (4)(a) In lieu of other fees provided in ORS 825.474, carriers engaged in the operation of motor  
 20 vehicles equipped with dump bodies and used in the transportation of sand, gravel, rock, dirt, debris,  
 21 cinders, asphaltic concrete mix, metallic ores and concentrates or raw nonmetallic products,  
 22 whether crushed or otherwise, moving from mines, pits or quarries may pay annual fees for such  
 23 operation computed at the rate of [*six dollars and five cents*] \_\_\_\_\_ for each 100 pounds of de-  
 24 clared combined weight.

25 (b) Any carrier electing to pay fees under this method may, as to vehicles otherwise exempt for  
 26 taxation, elect to be taxed on the mileage basis for movements of such empty vehicles over public  
 27 highways whenever operations are for the purpose of repair, maintenance, servicing or moving from  
 28 one exempt highway operation to another.

29 (5)(a) In lieu of other fees provided in ORS 825.474, carriers engaged in operating motor vehicles  
 30 in the transportation of wood chips, sawdust, barkdust, hog fuel or shavings may pay annual fees for  
 31 such operation computed at the rate of [*twenty-four dollars and sixty-two cents*] \_\_\_\_\_ for each 100  
 32 pounds of declared combined weight.

33 (b) Any carrier electing to pay under this method may, as to vehicles otherwise exempt from  
 34 taxation, elect to be taxed on the mileage basis for movement of such empty vehicles over public  
 35 highways whenever operations are for the purpose of repair, maintenance, service or moving from  
 36 one exempt highway operation to another.

37

\_\_\_\_\_