

# HOUSE BILL No. 1240

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-6-4.1-4; IC 6-6-4.1-4.5.

**Synopsis:** Motor carrier fuel tax exemption. Provides that the motor carrier fuel tax exemption for motor fuel used to propel equipment mounted on a motor vehicle that has a common reservoir for locomotion and for the operation of the equipment applies to any use of motor fuel to propel the equipment. (Current law provides that the exemption applies only to motor fuel used to propel equipment in Indiana.)

**Effective:** Upon passage; February 13, 1998 (retroactive).

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January 11, 1999, read first time and referred to Committee on Ways and Means.

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First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

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## HOUSE BILL No. 1240



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-6-4.1-4 IS AMENDED TO READ AS  
 2 FOLLOWS [EFFECTIVE FEBRUARY 13, 1998 (RETROACTIVE)]:  
 3 Sec. 4. (a) A tax is imposed on the consumption of motor fuel by a  
 4 carrier in its operations on highways in Indiana. The rate of this tax is  
 5 the same rate per gallon as the rate per gallon at which special fuel is  
 6 taxed under IC 6-6-2.5. The tax shall be paid quarterly by the carrier to  
 7 the department on or before the last day of the month immediately  
 8 following the quarter.  
 9 (b) The amount of motor fuel consumed by a carrier in its operations  
 10 on highways in Indiana is the total amount of motor fuel consumed in  
 11 its entire operations within and without Indiana, multiplied by a  
 12 fraction. The numerator of the fraction is the total number of miles  
 13 traveled on highways in Indiana, and the denominator of the fraction is  
 14 the total number of miles traveled within and without Indiana.  
 15 (c) The amount of tax that a carrier shall pay for a particular quarter  
 16 under this section equals the product of the tax rate in effect for that  
 17 quarter, multiplied by the amount of motor fuel consumed by the



1 carrier in its operation on highways in Indiana and upon which the  
2 carrier has not paid tax imposed under IC 6-6-1.1 or IC 6-6-2.5.

3 (d) The tax imposed under this section does not apply to that portion  
4 of motor fuel used ~~in Indiana~~ to propel equipment mounted on a motor  
5 vehicle having a common reservoir for locomotion on the highway and  
6 the operation of the equipment, as determined by rule of the  
7 commissioner. The exemption granted by this subsection shall be taken  
8 on a quarterly basis in the form of a claim for refund prescribed by the  
9 department.

10 SECTION 2. IC 6-6-4.1-4.5 IS AMENDED TO READ AS  
11 FOLLOWS [EFFECTIVE FEBRUARY 13, 1998 (RETROACTIVE)]:  
12 Sec. 4.5. (a) A surcharge tax is imposed on the consumption of motor  
13 fuel by a carrier in its operations on highways in Indiana. The rate of  
14 this surcharge tax is eleven cents (\$0.11) per gallon. The tax shall be  
15 paid quarterly by the carrier to the department on or before the last day  
16 of the month immediately following the quarter.

17 (b) The amount of motor fuel consumed by a carrier in its operations  
18 on highways in Indiana is the total amount of motor fuel consumed in  
19 its entire operations within and without Indiana, multiplied by a  
20 fraction. The numerator of the fraction is the total number of miles  
21 traveled on highways in Indiana, and the denominator of the fraction is  
22 the total number of miles traveled within and without Indiana.

23 (c) The amount of tax that a carrier shall pay for a particular quarter  
24 under this section equals the product of the tax rate in effect for that  
25 quarter, multiplied by the amount of motor fuel consumed by the  
26 carrier in its operation on highways in Indiana.

27 (d) The tax imposed under this section does not apply to that portion  
28 of motor fuel used ~~in Indiana~~ to propel equipment mounted on a motor  
29 vehicle having a common reservoir for locomotion on the highway and  
30 the operation of this equipment as determined by rule of the  
31 commissioner. The exemption granted by this subsection shall be taken  
32 on a quarterly basis in the form of a claim for refund prescribed by the  
33 department.

34 SECTION 3. [EFFECTIVE UPON PASSAGE] (a) A taxpayer  
35 that:

- 36 (1) applied for a refund under IC 6-6-4.1-4(d) and  
37 IC 6-6-4.1-4.5(d) before the effective date of this act;  
38 (2) was denied the refund described in subdivision (1); and  
39 (3) would have been entitled to the refund described in  
40 subdivision (1) if IC 6-6-4.1-4(d) and IC 6-6-4.1-4.5(d), both as  
41 amended by this act, had been in effect beginning February  
42 13, 1998;



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1 is entitled to a refund under IC 6-6-4.1-4(d) and IC 6-6-4.1-4.5(d),  
2 both as amended by this act, resulting from the exemption for the  
3 portion of motor fuel used to propel equipment mounted on a  
4 motor vehicle having a common reservoir for locomotion on the  
5 highway.  
6 (b) This SECTION expires January 1, 2001.  
7 SECTION 4. An emergency is declared for this act.

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