

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**
4 **By: Senator Hoofman**

A Bill

SENATE BILL 214

For An Act To Be Entitled

8 "AN ACT TO REPLACE THE WEIGHT-DISTANCE TRUCK TAX BY
9 AMENDING ARKANSAS CODE §27-14-601 (a) (3) (G) TO ESTABLISH A
10 REGISTRATION FEE OF ONE THOUSAND THREE HUNDRED AND FIFTY
11 DOLLARS (\$1,350) ON CERTAIN VEHICLES WHICH OPERATE ON THE
12 PUBLIC STREETS AND HIGHWAYS OF THIS STATE HAVING A
13 DECLARED GROSS WEIGHT BETWEEN 73,281 POUNDS AND 80,000
14 POUNDS; BY AMENDING ARKANSAS CODE § 27-14-601
15 (a) (3) (I) (i) (a) TO INCREASE THE ANNUAL REGISTRATION FEES
16 ON CERTAIN SEMITRAILERS FROM THIRTEEN DOLLARS (\$13.00) TO
17 TWENTY DOLLARS (\$20.00); BY LEVYING AN ADDITIONAL EXCISE
18 TAX OF *NINE CENTS* (\$.09) PER GALLON ON DISTILLATE SPECIAL
19 FUELS; BY AMENDING ARKANSAS CODE § 26-56-214 TO INSURE
20 THE ADDITIONAL TAX ON SPECIAL DISTILLATE FUELS IS IMPOSED
21 ON BONDED AND UNBONDED INTERSTATE USERS OF DISTILLATE
22 SPECIAL FUEL; BY AMENDING ARKANSAS CODE § 27-35-210 (e) TO
23 INCREASE THE PERMIT FEES ISSUED FOR VEHICLES OR
24 COMBINATIONS OF VEHICLES IN EXCESS OF THE LAWFUL WEIGHT
25 LIMITS; AND BY AMENDING ARKANSAS CODE § 27-35-202 TO
26 PROVIDE FOR INCREASED PENALTIES ON OPERATORS OF OVERWEIGHT
27 VEHICLES; *TO LEVY ADDITIONAL TAXES ON MOTOR FUEL, AND*
28 *LIQUEFIED GAS SPECIAL FUELS, ALL OF SUCH ADDITIONAL TAXES*
29 *TO BE PHASED INTO EFFECT OVER A PERIOD OF YEARS; TO AMEND*
30 *ARKANSAS CODE §26-55-710 TO INSURE THAT THE ADDITIONAL*
31 *TAXES LEVIED BY THIS ACT ARE IMPOSED ON BONDED AND*
32 *UNBONDED INTERSTATE MOTOR FUEL USERS AND BONDED AND*
33 *UNBONDED INTERSTATE DISTILLATE SPECIAL FUEL USERS; TO*
34 *AMEND ARKANSAS CODE §26-56-304 TO COMBINE ALL CURRENT*
35 *ANNUAL FEES FOR AND TO INCLUDE IN SUCH ANNUAL FEES IMPOSED*

1 ON LIQUEFIED GAS SPECIAL FUEL USERS A PROPORTIONATE
2 INCREASE IN THE ANNUAL FEES FOR VEHICLES USING LIQUEFIED
3 PETROLEUM GAS TO APPROXIMATE THE PER GALLON ADDITIONAL
4 TAXES IMPOSED BY THIS ACT ON LIQUEFIED GAS SPECIAL FUELS,
5 SUCH ADDITIONAL FEES TO BE PHASED INTO EFFECT OVER A
6 PERIOD OF YEARS; TO REPEAL ARKANSAS CODE §§26-56-503 AND
7 26-55-1003; TO PRESCRIBE THE PURPOSES FOR WHICH THESE
8 ADDITIONAL REVENUES SHALL BE USED; TO REPEAL ARKANSAS CODE
9 § 27-35-204, § 27-35-205, AND § 27-35-212 LEVYING THE
10 WEIGHT-DISTANCE TRUCK TAX; TO DECLARE AN EMERGENCY; AND
11 FOR OTHER PURPOSES."

12
13 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

14
15 SECTION 1. Subdivision (a)(3)(G) of Arkansas Code § 27-14-601 is hereby
16 amended to read as follows:

17 "(G) Class Seven - (i) On all such vehicles with a gross loaded weight
18 between sixty-eight thousand one pounds (68,001 lbs.) and seventy-three
19 thousand, two hundred eighty pounds (73,280 lbs.), the fee to be charged shall
20 be at the rate of fourteen dollars and thirty cents (\$14.30) per thousand
21 pounds of gross loaded weight of the vehicles;

22 (ii) On all such vehicles with a gross loaded weight between
23 seventy-three thousand, two hundred eighty one pounds (73,281 lbs.) and eighty
24 thousand pounds (80,000 lbs.), the fee to be charged shall be one thousand,
25 three hundred fifty dollars (\$1,350.00).

26 (iii) Any truck in Class Two, Class Three, Class Four, Class
27 Five, Class Six, or Class Seven for which the annual registration and
28 licensing fee is one hundred thirty dollars (\$130) or more may be registered
29 and licensed for the first six (6) months of the licensing period, upon
30 application therefor and the payment of one-half (1/2) of the annual license
31 fee prescribed in this section for such truck, plus an additional fee of six
32 dollars and fifty cents (\$6.50) to defray the administrative cost of issuing a
33 half-year license.

34 (iv) Any truck in Class Seven may be registered and licensed for
35 the first three (3) months of the licensing period, upon application therefor
36 and the payment of one-fourth (1/4) of the annual license fee prescribed

1 herein for such truck, plus an additional fee of six dollars and fifty cents
2 (\$6.50) to defray the administrative cost of issuing a quarter-year license.

3 (v) The Director of the Department of Finance and Administration
4 shall cause distinctive license plates to be prepared to evidence the six (6)
5 month and three (3) month registration of vehicles under this subsection and
6 shall make such rules and regulations as he shall deem necessary to properly
7 carry out and enforce the provisions of this subdivision."

8
9 SECTION 2. Subdivision (a) (3) (I) (i) (a) of Arkansas Code § 27-14-601 is
10 hereby amended to read as follows:

11 "(I) Class Nine - (i) (a) For the purpose of evidencing registration of
12 trailers, semitrailers, and full trailers, there shall be issued special
13 license plates, and annual registration fees charged and collected according
14 to the following schedule:

- 15 (1) All bumper hitch trailers, a fee of six dollars (\$6.00);
- 16 (2) All gooseneck trailers, a fee of twenty dollars (\$20.00);
- 17 (3) All semitrailers used in combination with Classes Two through
18 Eight trucks, a fee of twenty dollars (\$20.00). Provided, however, the owner
19 of any semitrailer used in combination with Classes Two through Eight trucks
20 may, at his option, pay a fee of sixty-five dollars (\$65.00) for issuance of a
21 permanent registration that shall remain valid, without annual renewal, until
22 he sells or otherwise disposes of the semitrailer for which such registration
23 is issued. Permanent registrations issued under this subdivision shall not be
24 transferred to other owners or other vehicles, and shall not be replaced under
25 §27-14-602(b) (6);
- 26 (4) Full trailers operated in the transportation of farm products
27 and other natural resources described as Class Eight, a fee of eight dollars
28 (\$8.00); and
- 29 (5) For all other full trailers there shall be charged an annual
30 license fee computed on the gross loaded weight of the vehicle at the
31 appropriate rate provided by Classes Two through Seven of subsection (a) (3) of
32 this section."

33
34 SECTION 3. On and after the effective date of this act, in addition to
35 the taxes levied on distillate special fuels in Arkansas Code §§ 26-56-201 and

1 26-56-502, there is hereby levied an additional excise tax of *nine cents*
 2 (*\$.09*) per gallon upon all distillate special fuels subject to the taxes
 3 levied in those Code sections. This additional excise tax shall be levied,
 4 collected, reported, and paid in the same manner and at the same time as is
 5 prescribed by law for the levying, collection, reporting, and payment of the
 6 other distillate special fuels taxes under Arkansas law.

7

8 SECTION 4. Arkansas Code § 26-56-214 is hereby amended to read as
 9 follows:

10 "26-56-214. Interstate users - Reports - Computation of tax and
 11 refunds.

12 (a) Whenever an interstate user of distillate special fuels who is a
 13 bonded user of such fuels in all states in which he operates has exportations
 14 in excess of importations of tax-paid distillate special fuels in the fuel
 15 supply tanks of motor vehicles which fuels were delivered by a supplier into
 16 bulk storage facilities of the user within the State of Arkansas, the supplier
 17 may make a refund or allow a credit for the amount of the tax upon such excess
 18 upon approval by the director of a statement from the user to the effect that
 19 the tax-paid fuel was exported.

20 (b) (1) For the purpose of determining whether an interstate distillate
 21 special fuels user owes special motor fuel tax or is entitled to a credit or
 22 refund, the licensed interstate distillate special fuels user shall file a
 23 quarterly report on or before the last day of the month following the end of
 24 each calendar quarter.

25 (2) If it shall be determined by the quarterly report that the
 26 interstate user has used distillate special fuels in this state in excess of
 27 the number of gallons of the fuel upon which the Arkansas tax had been paid,
 28 the interstate user shall remit to the director, at the time of filing the
 29 report, an excise tax of *twenty-one and one-half (21 1/2¢)* per gallon of the
 30 excess gallonage used.

31 (3) If it shall be determined that the interstate user has purchased
 32 more gallons of distillate special fuels in this state than he has used in
 33 this state, then the user shall be entitled to a credit or refund of *twenty-*
 34 *one one-half cents (21 1/2¢)* per gallon of the excess gallonage purchased in
 35 the state.

1 (c) The quarterly report required by this subchapter shall be filed on
2 or before the last day of the month following the end of each calendar quarter
3 and shall be made on forms prescribed by the director and shall include such
4 information as the director may require.

5 (d) (1) For the purpose of determining whether a distillate special fuel
6 user owes tax or is entitled to a credit or refund as provided in subsection
7 (b) of this section, the distillate special fuel user shall file with the
8 director a report showing the quantities of special motor fuels used in this
9 state during the preceding calendar quarter. This report shall be due on or
10 before the last day of the month following the end of each calendar quarter.

11 (2) If it shall be determined by the quarterly report filed with the
12 director that the distillate special fuel user has used more gallons of
13 special motor fuel in this state than the special motor fuel tax due thereon
14 has been paid, the distillate special fuel user shall remit to the director an
15 excise tax of *twenty-one and one-half cents (21 1/2¢)* per gallon of special
16 motor fuel.

17 (3) Distillate special fuel users may not take credit on reports
18 at a tax rate in excess of that actually paid.

19 (e) (1) For the purpose of determining whether a distillate special fuel
20 user owes tax or is entitled to a credit or refund, the distillate special
21 fuel user shall determine the average miles per gallon of fuel used. The
22 average miles per gallon shall be determined by dividing total miles traveled
23 in all jurisdictions by the total gallons of fuel used in all jurisdictions.
24 The distillate special fuel user shall then determine the total amount of fuel
25 used within the State of Arkansas by dividing the total number of miles
26 traveled within the State of Arkansas by the average miles per gallon.

27 (2) The taxpayer's tax liability shall be calculated by multiplying
28 the number of gallons of fuel used within the State of Arkansas by *twenty-one*
29 *and one-half cents (21 1/2¢)* per gallon. A taxpayer shall be entitled to
30 credits against his tax liability for tax-paid fuel purchased within the State
31 of Arkansas.

32 (f) (1) Any licensed interstate user who fails to maintain adequate
33 mileage or fuel records, for the purpose of determining the amount the
34 interstate user owes the State of Arkansas for tax on distillate special fuel
35 used in this state as provided in this section, the number of gallons of

1 distillate special fuel used in this state shall be determined by an
2 assessment based on the following mileage factors per gallon of distillate
3 special fuel as compared to the appropriate class of vehicle set out in
4 subdivision (2) of this subsection.

5 (2) For the purposes of this section:

6 (A) All automobiles, except buses, with a capacity of less
7 than eight (8) passengers shall be deemed to be Class A vehicles;

8 (B) All truck-type vehicles, except buses, with a factory
9 rating and gross loaded weight of less than twenty-two thousand five hundred
10 pounds (22,500 lbs.), shall be deemed to be Class B vehicles;

11 (C) All other vehicles, except buses, with a factory rating
12 in excess of twenty-two thousand five hundred pounds (22,500 lbs.), or whose
13 total gross loaded weight exceeds twenty-two thousand five hundred pounds
14 (22,500 lbs.) shall be deemed to be Class C vehicles; and

15 (D) All buses rated and licensed as such shall be deemed to
16 be Class D vehicles.

17 (3) The mileage factor per gallon of distillate special fuel for:

18 (A) Class A vehicles shall be twelve (12) miles;

19 (B) Class B vehicles shall be eight (8) miles;

20 (C) Class C vehicles shall be five (5) miles; and

21 (D) Class D vehicles shall be six (6) miles.

22 (4) These mileage factors shall be utilized in conjunction with
23 the Arkansas mileage as determined through an audit and based upon the best
24 records available regardless of source.

25 (g) For the purposes of determining the amount any unlicensed or
26 unbonded user owes the State of Arkansas for tax on distillate special fuel
27 used in this state, only the above mileage factors per gallon of distillate
28 special fuel for the applicable vehicles shall be utilized.

29 (h) (1) If a quarterly report of a distillate special fuel user results
30 in a net credit, the distillate special fuel user may elect to have the credit
31 carried forward and applied against the special motor fuel tax due for the
32 succeeding eight (8) quarters or until the credit is completely used,
33 whichever occurs first. In the alternative, a taxpayer who is entitled to a
34 net credit on his quarterly fuel use tax report may elect to have the amount
35 of credit refunded to him.

1 (2) A distillate special fuel user who has a total tax liability
2 for special motor fuel tax during the previous calendar year of less than one
3 hundred dollars (\$100) may, upon application to the director, obtain
4 permission to report his motor fuel tax liability on an annual basis. The
5 annual report shall be due on or before the last day of the month following
6 the end of each fiscal year.

7 (i) The director shall prescribe the appropriate forms
8 necessary for the administration of this subchapter. The director may make
9 appropriate rules and regulations necessary to insure the accurate reporting
10 of the special motor fuel tax."

11

12 SECTION 5. Subsection (e) of Arkansas Code § 27-35-210 is hereby
13 amended to read as follows:

14 "(e) A charge of twelve dollars (\$12.00) shall be made for each special
15 permit. In addition, for each ton or major fraction thereof to be hauled in
16 excess of the lawful weight and load for that vehicle, or combination of
17 vehicles, charges shall be made for such as follows:

18

19 On Each Ton, Per Ton Or
20 Fraction Thereof

21 Mileage to Be Traveled is:

22 Not more than 100 miles	\$ 8.00
23 101 miles to 150 miles, inclusive	\$ 10.00
24 151 miles to 200 miles, inclusive	\$ 12.00
25 201 miles to 250 miles, inclusive	\$ 14.00
26 Over 251 miles.	\$ 16.00"

27

28 SECTION 6. Arkansas Code § 27-35-202 is hereby amended to read as
29 follows:

30 "27-35-202. Penalties for overweight vehicles.

31 (a) (1) Any operator found violating the provisions of this subchapter
32 or any owner, principal, employer, lessor, lessee, agent, or officer of any
33 firm or corporation who permits an operator to violate these provisions shall
34 be guilty of a misdemeanor.

35 (2) (A) Upon first conviction, an offender shall be punished by a

1 fine of not more than one hundred dollars (\$100);

2 (B) For a second conviction within one (1) year, an
3 offender shall be punished by a fine of not more than two hundred dollars
4 (\$200); and

5 (C) For a third conviction and each successive conviction
6 within one (1) year, an offender shall be punished by a fine of not more than
7 five hundred dollars (\$500).

8 (b)(1) If the weight of the vehicle and load exceeds the maximum as
9 prescribed by this subchapter or the gross weight as provided by a special
10 permit, the operator or any owner, principal, employer, lessor, lessee, agent,
11 or officer of any firm or corporation who permits such operator to exceed the
12 weight load provided in this subchapter or as provided by a special permit
13 shall, in addition, pay a penalty to be computed as follows:

14 (A) Overweight one thousand pounds (1,000 lbs.) or less, a
15 minimum penalty of ten dollars (\$10.00) or a maximum penalty of not more than
16 two cents (2¢) per pound of excess weight;

17 (B) Overweight more than one thousand pounds (1,000 lbs.)
18 and not more than two thousand pounds (2,000 lbs.), a minimum penalty of no
19 less than two cents (2¢) per pound or a maximum penalty of not more than three
20 cents (3¢) per pound of excess weight;

21 (C) Overweight more than two thousand pounds (2,000 lbs.)
22 and not more than three thousand pounds (3,000 lbs.), a minimum penalty of no
23 less than three cents (3¢) per pound or a maximum penalty of not more than
24 four cents (4¢) per pound of excess weight;

25 (D) Overweight more than three thousand pounds (3,000 lbs.)
26 and not more than four thousand pounds (4,000 lbs.), a minimum penalty of no
27 less than four cents (4¢) per pound or a maximum penalty of not more than five
28 cents (5¢) per pound of excess weight;

29 (E) Overweight more than four thousand pounds (4,000 lbs.),
30 a minimum penalty of no less than five cents (5¢) per pound or a maximum
31 penalty of not more than six cents (6¢) per pound of excess weight.

32 (2) Where the operator of an overloaded truck is found to have
33 willfully avoided being weighed at a weigh station in this state, the penalty
34 shall be computed by doubling the otherwise maximum appropriate penalty set
35 out in subdivision (b)(1).

1 (c) (1) All fines and penalties shall be collected as provided by law.

2 (2) All penalties collected shall immediately be transmitted by
3 the authority collecting them to the State Treasurer.

4 (3) It shall be mandatory and not within the discretion of the
5 court to assess the penalty provided for.

6 (d) When any vehicle is found to exceed any weight limitation imposed
7 by this subchapter or the gross weight provided by special permit, the vehicle
8 shall be stopped at a suitable place and remain standing until the overweight
9 shall have been removed or additional permit obtained as provided in this
10 subchapter."

11 *SECTION 7. (a) On and after the effective date of this act, in*
12 *addition to the taxes levied upon motor fuel in Arkansas Code §§26-55-205 and*
13 *26-55-1002 and upon liquefied gas special fuels in Arkansas Code §§26-56-301*
14 *and 26-56-502, there is hereby levied an excise tax of five cents (\$.05) per*
15 *gallon upon all motor fuel and liquefied gas special fuels subject to the*
16 *taxes levied in those code sections, and such additional taxes shall be*
17 *collected, reported and paid in the same manner and at the same time as is*
18 *prescribed by law for the collection, reporting, and payment of other motor*
19 *fuel taxes and liquefied gas special fuels taxes.*

20 (b) On and after July 1, 1992, in addition to the taxes levied as
21 enumerated in (a), above, including the additional excise tax of five cents
22 (\$.05) per gallon levied on certain fuel or fuels in (a), above, there is
23 hereby levied an additional excise tax of one cent (\$.01) per gallon on all
24 such motor fuel and liquefied gas special fuels subject to the taxes levied in
25 those code sections enumerated in (a), above, and such additional tax levied
26 pursuant to this subsection of this act shall be collected, reported and paid
27 in the same manner and at the same time as is prescribed by law for the
28 collection, reporting and payment of other motor fuel taxes, and liquefied gas
29 special fuels taxes.

30 (c) On and after July 1, 1993, in addition to the taxes levied as
31 enumerated in (a), above, including the additional taxes of five cents (\$.05)
32 per gallon levied on certain fuel or fuels in (a), above, and in addition to
33 the additional excise taxes of one cent (\$.01) per gallon levied on certain
34 fuel or fuels in (b), above, there is hereby levied an additional excise tax
35 of one cent (\$.01) per gallon on all such motor fuel and liquefied gas special

1 fuels subject to the taxes levied in those code sections enumerated in (a),
 2 above, and such additional taxes levied pursuant to this subsection of this
 3 section of this act shall be collected, reported and paid in the same manner
 4 and at the same time as is prescribed by law for the collection, reporting,
 5 and payment of other motor fuel taxes and liquefied gas special fuels taxes.

6 (d) On and after July 1, 1994, in addition to the taxes levied as
 7 enumerated in (a), above, including the additional taxes of five cents (\$.05)
 8 per gallon levied on certain fuel or fuels in (a), above, and in addition to
 9 the additional excise taxes of one cent (\$.01) per gallon levied on certain
 10 fuel or fuels in (b), above, and in addition to the additional excise taxes of
 11 one cent (\$.01) per gallon levied on certain fuel or fuels in (c), above,
 12 there is hereby levied an additional excise tax of one cent (\$.01) per gallon
 13 on all such motor fuel and liquefied gas special fuels subject to the taxes
 14 levied in those code sections enumerated in (a), above, and such additional
 15 taxes levied pursuant to this subsection of this section of this act shall be
 16 collected, reported and paid in the same manner and at the same time as is
 17 prescribed by law for the collection, reporting, and payment of other motor
 18 fuel taxes and liquefied gas special fuels taxes.

19

20 SECTION 8. Arkansas Code §26-55-710 is hereby amended to read as
 21 follows:

22 "26-55-710. Quarterly mileage reports - Tax computation.

23 (a) (1) Every person, firm, or corporation licensed under this
 24 subchapter shall, on or before the last day of the month following the end of
 25 each calendar quarter, file with the Director of the Department of Finance and
 26 Administration, on forms prescribed by him, a report showing the quantities of
 27 gasoline purchased and used in this state during the preceding calendar
 28 quarter, together with payment of the tax due thereon.

29 (2) The number of gallons of motor fuel upon which the tax has been paid
 30 by an interstate user shall be determined from the form obtained by the
 31 interstate user from a licensed dealer or licensed bulk distributor within the
 32 state.

33 (b) If it shall be determined by the quarterly reports filed with the
 34 director that the interstate user has used more gallons of gasoline in this
 35 state than the gasoline tax due thereon has been paid, the interstate user

1 shall remit to the director an excise tax of eighteen and one-half cents
 2 (\$.185) per gallon on the gasoline, provided: for the period beginning July 1,
 3 1992 and ending June 30, 1993, inclusive, the interstate user shall remit to
 4 the director an excise tax of nineteen and one-half cents (\$.195) per gallon
 5 on the gasoline; for the period beginning July 1, 1993 and ending June 30,
 6 1994, inclusive, the interstate user shall remit to the director an excise tax
 7 of twenty and one-half cents (\$.205) per gallon on the gasoline and; beginning
 8 July 1, 1994 and thereafter, the interstate user shall remit to the director
 9 twenty-one and one-half cents (\$.215) per gallon on the gasoline.

10 (c) Interstate users may not take credit on reports at a tax rate in
 11 excess of that actually paid.

12 (d) (1) For the purpose of determining whether a licensed interstate
 13 user owes tax or is entitled to a credit or refund, the licensed interstate
 14 user shall determine the average miles per gallon of fuel used. The average
 15 miles per gallon shall be determined by dividing the total miles traveled in
 16 all jurisdictions by the total gallons of fuel used in all jurisdictions.

17 (2) The licensed interstate user shall then determine the total amount
 18 of fuel used within the State of Arkansas by dividing the total number of
 19 miles traveled within the State of Arkansas by the average miles per gallon.
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21 (3) The taxpayer's tax liability shall be calculated by multiplying the
 22 number of gallons of fuel used within the State of Arkansas by eighteen and
 23 one-half cents (\$.185) per gallon, provided: for the period beginning July 1,
 24 1992 and ending June 30, 1993, inclusive, such liability shall be calculated
 25 by multiplying the number of gallons of fuel used within the state of Arkansas
 26 by nineteen and one-half cents (\$.195) per gallon; for the period beginning
 27 July 1, 1993 and ending June 30, 1994, inclusive, such liability shall be
 28 calculated by multiplying the number of gallons of fuel used within the State
 29 of Arkansas by twenty and one-half cents (\$.205) per gallon and; beginning
 30 July 1, 1994 and thereafter, such liability shall be calculated by multiplying
 31 the number of gallons of fuel used within the State of Arkansas by twenty-one
 32 and one-half cents (\$.215) per gallon. A taxpayer shall be entitled to credits
 33 against his tax liability for tax-paid fuel purchased within the State of
 34 Arkansas.

35 (e) For any licensed interstate user who fails to maintain adequate

1 mileage or fuel records, as required by §26-55-719, for the purpose of
 2 determining the amount the interstate user owes the State of Arkansas for tax
 3 on motor fuel used in this state as provided in this section, the number of
 4 gallons of motor fuel used in this state shall be determined by an assessment
 5 based on the following mileage factors per gallon of motor fuel as compared to
 6 the appropriate class of vehicle set out in subsection (f) of this section.

7 (f) (1) For the purposes of this section:

8 (A) All automobiles, except buses, with a capacity of less than eight
 9 (8) passengers shall be deemed to be Class A vehicles;

10 (B) All truck-type vehicles, except buses, with a factory rating and
 11 gross loaded weight of less than twenty-two thousand five hundred pounds
 12 (22,500 lbs.), shall be deemed to be Class B vehicles;

13 (C) All other vehicles except buses, with a factory rating in excess of
 14 twenty-two thousand five hundred pounds (22,500 lbs.), or whose total gross
 15 loaded weight exceeds twenty-two thousand five hundred pounds (22,500 lbs.)
 16 shall be deemed to be Class C vehicles;

17 (D) All buses rated and licensed as such shall be deemed to be Class D
 18 vehicles.

19 (2) The mileage factor per gallon of motor fuel for:

20 (A) Class A vehicles shall be twelve (12) miles;

21 (B) Class B vehicles shall be eight (8) miles;

22 (C) Class C vehicles shall be five (5) miles; and

23 (D) Class D vehicles shall be six (6) miles.

24 (3) These mileage factors shall be utilized in conjunction with the
 25 Arkansas mileage as determined through an audit and based upon the best
 26 records available regardless of source.

27 (g) (1) For the purposes of determining the amount any unlicensed or
 28 unbonded user owes the State of Arkansas for tax on motor fuel used in this
 29 state, only the above mileage factors per gallon of motor fuel for the
 30 applicable vehicle shall be utilized.

31 (2) If a quarterly report of an interstate user results in a net
 32 credit, the interstate user may elect to have the credit carried forward and
 33 applied against the motor fuel tax due for the succeeding eight (8) quarters
 34 or until the credit is completely used, whichever occurs first. In the
 35 alternative, a taxpayer who is entitled to a net credit on his quarterly fuel

1 use tax report may elect to have the amount of credit refunded to him.

2 (3) An interstate user who had a total tax liability for motor fuel
3 taxes during the previous calendar year of less than one hundred dollars
4 (\$100) may, upon application to the director, obtain permission to report his
5 motor fuel tax liability on an annual basis. The annual report shall be due on
6 or before the last day of the month following the end of each fiscal year.

7 (h) The director shall prescribe the appropriate forms necessary for
8 the administration of this subchapter. The director may make appropriate
9 rules and regulations necessary to insure the accurate reporting of mileage
10 traveled and gallons used and purchased by the licensed interstate users."

11

12 SECTION 9. Subsection (d) of Arkansas Code §26-56-304 is hereby amended
13 to read as follows:

14 "(d) (1) At the time of applying for such permit and prior to the
15 registration and issuance of a motor vehicle license for the vehicle, each
16 applicant, except licensed liquefied gas special fuel suppliers, shall remit
17 to the director, in addition to the regular fee prescribed by law for the
18 registration and licensing of the vehicle, an additional fee in an amount
19 which is determined by the General Assembly, based upon information available
20 from statistical studies of the motor vehicular use of liquefied gas special
21 fuels by various classes of users, as follows:

22

23 NON-FARM VEHICLES

	Annual Additional Fee
24 Passenger cars and motor homes	\$ 164.00
25 Pickup trucks, one-half (1/2) and three-quarter (3/4) ton	195.00
26 Pickup trucks, one (1) ton	251.00
27 Trucks, maximum gross loaded weight in excess of one (1) ton	
28 but not exceeding 22,500 pounds	520.00
29 Passenger buses except school buses manufactured and	
30 licensed as such	520.00
31 School buses manufactured and licensed as such.....	260.00
32 Trucks, maximum gross loaded weight in excess of 22,500	
33 pounds	609.00

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FARM VEHICLES

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In order to aid in the production of farm products and to eliminate apparent inequities in liquefied gas special fuel fees which are in lieu of the gallonage tax on such fuel used in vehicles operated primarily on farms and not on the main highway system of this state, a special classification is created for farm vehicles using liquefied gas special fuel and entitled to be registered and licensed as natural resources farm vehicles. The flat fee in lieu of the gallonage tax on the fuel used in such vehicle shall be as follows:

Pickup trucks, one-half (1/2) and three-quarter (3/4) ton	\$ 130.00
Pickup trucks, one (1) ton	156.00
Trucks, maximum gross loaded weight in excess of one (1) ton	
but not exceeding 22,500 pounds	178.00
Trucks, maximum gross loaded weight in excess of 22,500	
pounds	260.00

Provided, on and after July 1, 1992 the annual additional fees set out above, for non-farm vehicles, as well as farm vehicles, shall be increased by six percent (6%) and rounded to the nearest dollar. Said annual additional fees, set out above, coupled with the approximate six percent (6%) increase, shall then become the annual additional fee to be remitted to the director by each such applicant, which fee shall be in addition to the regular fee prescribed by law for the registration and licensing of the vehicle.

Provided, further, on and after July 1, 1993 the annual additional fees set out in the table above for non-farm vehicles, as well as farm vehicles, shall be increased by twelve percent (12%) and rounded to the nearest dollar. Said annual additional fees, set out in the table above coupled with the approximate twelve percent (12%) increase, shall then become the annual additional fee to be remitted to the director by each such applicant, which fee shall be in addition to the regular fee prescribed by law for the registration and licensing of the vehicle.

Provided, further, on and after July 1, 1994, the annual additional fees set out in the table above for non-farm vehicles, as well as farm vehicles, shall be increased by eighteen percent (18%) and rounded to the nearest

1 dollar. Said annual additional fees, set out in the table above, coupled with
 2 the approximate eighteen percent (18%) increase, shall then become the annual
 3 additional fee to be remitted to the director by each such applicant, which
 4 fee shall be in addition to the regular fee prescribed by law for the
 5 registration and licensing of the vehicle.

6 (2) If the director determines that the flat fee provided herein in
 7 lieu of the gallonage tax on liquefied gas special fuel is, in the case of
 8 common or contract carriers or other vehicles for hire, inadequate to
 9 compensate for the gallonage tax, the director may require such common or
 10 contract carriers or owners of other vehicles for hire to pay a fee based upon
 11 the actual mileage of the common or contract carrier or vehicle for hire for
 12 the previous year, the current year, or any other reasonable basis.

13 (3) The director shall establish regulations for computing the fees and
 14 for the enforcement of the collection thereof.

15 (4) If any new liquefied gas special fuel vehicle is placed in
 16 operation or any other vehicle shall be converted to a liquefied gas special
 17 fuel vehicle during the registration year, the owner shall be permitted to pay
 18 a proportionate part of the special fuel user's permit fee for such vehicle
 19 for the remainder of the current registration year based upon one-twelfth
 20 (1/12) of the annual fee for such vehicle for each calendar month or fraction
 21 thereof remaining in the current registration year."

22
 23 SECTION 10. (a) (1) All of the additional taxes, fees, penalties, and
 24 interest collected under Sections 1 through 4 and Sections 7, 8 and 9 of this
 25 act, and any sections of Arkansas Code which they amend, shall be classified
 26 as special revenues and shall be deposited in the State Treasury. After
 27 deducting the amount to be credited to the Constitutional Officers Fund and
 28 the State Central Services Fund as provided under the Revenue Stabilization
 29 Law, Arkansas Code §§ 19-5-101 et seq., the State Treasurer shall transfer on
 30 the last business day of each month:

31 (A) Fifteen percent (15%) of the amount thereof to the
 32 County Aid Fund:

33 (B) Fifteen percent (15%) of the amount thereof to the
 34 Municipal Aid Fund; and

35 (C) Seventy percent (70%) of the amount thereof to the

1 State Highway and Transportation Department Fund.

2 (2) The funds shall be further disbursed in the same manner and
 3 used for the same purposes as set out in the Arkansas Highway Revenue
 4 Distribution Law, Arkansas Code §§ 27-70-201 et seq. *Provided, keeping with*
 5 *the spirit of Section 105 of Public Law 97-424 and the Arkansas State Highway*
 6 *and Transportation Department's goals for encouraging participation of*
 7 *Disadvantaged Business Enterprises into entering and performing contracts with*
 8 *the Department, including the purchasing of supplies and equipment by the*
 9 *Department and for the construction, reconstruction, and maintenance of*
 10 *highways and bridges in the State Highway System, the Arkansas State Highway*
 11 *and Transportation Department is authorized to expend up to ten percent (10%)*
 12 *of the total revenues disbursed to the Department pursuant to this act for the*
 13 *purpose of achieving those goals.*

14 (b) The permit fees and penalties collected pursuant to Sections 5 and
 15 6 of this act, and the sections of Arkansas Code which they amend, shall be
 16 collected and deposited pursuant to the laws those sections are amending which
 17 provide that such fees and penalties be credited to the State Highway and
 18 Transportation Department Fund.

19
 20 SECTION 11. All provisions of this act of general and permanent nature
 21 are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code
 22 Revision Commission shall incorporate the same in the Code.

23
 24 SECTION 12. If any provisions of this act or the application thereof to
 25 any person or circumstance is held invalid, the invalidity shall not affect
 26 other provisions or applications of the act which can be given effect without
 27 the invalid provisions or application, and to this end the provisions of this
 28 act are declared to be severable.

29
 30 SECTION 13. (a) Arkansas Code § 27-35-204, § 27-35-205 and § 27-35-212
 31 and §26-56-503 and §26-55-1003 are hereby repealed.

32 (b) All other laws and parts of laws in conflict with this act are
 33 hereby repealed. Provided, nothing in this act shall be construed to amend,
 34 abrogate, modify, or repeal any of the provisions of the "Petroleum Storage
 35 Tank Trust Fund Act", Arkansas Code §§ 8-7-901 et seq., and the fees levied by

1 that act on each gallon of motor fuel or distillate special fuels shall
 2 continue to be collected as provided by those Code sections in addition to all
 3 taxes and fees imposed by other sections of the Code on such fuel or fuels as
 4 well as those additional taxes and fees imposed by this act.

5

6 SECTION 14. Emergency. It is hereby found and determined by the
 7 Seventy-Eighth General Assembly of the State of Arkansas that litigation
 8 challenging the weight-distance tax on commercial heavy trucks is presently
 9 pending before various Courts which could result in liability for refunds of
 10 over \$100 million and that the repeal of the weight-distance tax and the
 11 settlement of all issues being litigated is in the best interest of the state
 12 of Arkansas; *that many of the highways, roads and streets in this state are*
 13 *operationally inadequate and immediate steps must be taken to provide*
 14 *additional funds for the maintenance, construction and reconstruction of such*
 15 *highways, roads and streets; and that proper maintenance, construction, and*
 16 *reconstruction of such highways, roads and streets is essential to the public*
 17 *health, welfare and safety of the people of the state.* Therefore, in order to
 18 relieve the state from this potentially massive liability and to settle the
 19 issues being litigated, *and to provide for the proper maintenance,*
 20 *construction, and reconstruction of highways, roads and streets,* an emergency
 21 is hereby declared to exist, and this act being necessary for the immediate
 22 preservation of the public peace, health, and safety, shall be in full force
 23 and effect on and after the first day of the first month immediately following
 24 its passage and approval.

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/s/Hoofman

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