

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Representatives *Willems and Wingfield***

A Bill

ACT 1119 OF 1993
HOUSE BILL 1869

For An Act To Be Entitled

8 "AN ACT TO LEVY TAXES ON ALTERNATIVE FUELS SOLD, OR USED
9 IN THIS STATE, OR PURCHASED FOR SALE OR USE IN THIS STATE
10 FOR THE PROPULSION OF MOTOR VEHICLES LICENSED OR REQUIRED
11 TO BE LICENSED FOR USE UPON THE PUBLIC HIGHWAYS; TO
12 PRESCRIBE THE MANNER FOR COLLECTING SUCH TAXES; TO PROVIDE
13 FOR THE DISTRIBUTION OF REVENUES COLLECTED FROM SUCH
14 TAXES; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES."

Subtitle

17 "ALTERNATIVE FUELS TAX LAW."

18
19 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

20
21 SECTION 1. This act may be known and cited as the "Alternative Fuels
22 Tax Law."

23
24 SECTION 2. Definitions. For the purposes of this act, the following
25 words and terms shall have the following meanings unless the context clearly
26 indicates a different meaning:

27 (1) "Alternative fuels" means and includes all liquids or combustion
28 gases, used or suitable for use in an internal combustion engine or motor for
29 the generation of power for motor vehicles, including, but not limited to,
30 "natural gas fuels" (as defined herein), and shall also mean and include
31 methanol, denatured ethanol, and other alcohols; mixtures containing 85
32 percent or more (or such percentage, but not less than 70 percent, as
33 determined by the United States Secretary of Energy, by rule, to provide for
34 requirements relating to cold start, safety, or vehicle functions) by volume
35 of methanol, denatured ethanol, and other alcohols with gasoline or other
36 fuels; hydrogen; coal-derived liquid fuels; fuels (other than alcohol) derived

1 from biological materials; electricity (including electricity from solar
2 energy); and any other fuel the United States Secretary of Energy determines,
3 by rule, is substantially not petroleum and would yield substantial energy
4 security benefits and substantial environmental benefits, but shall not
5 include fuels subject to the taxes levied by the "Motor Fuel Tax Law,"
6 §26-55-201, et seq., nor fuels subject to the taxes or fees levied by the
7 "Special Motor Fuels Tax Law," §26-56-101, et seq.

8 (2) "Alternative fuels supplier" means and includes every person who:

9 (A) Sells alternative fuels for the purpose of delivering such fuels or
10 delivers such fuels into the fuel tanks of motor vehicles; or

11 (B) Sells alternative fuels to any user or dealer, including interstate
12 users, or IFTA carrier users, which user or dealer delivers such fuels into
13 the fuel tanks of motor vehicles;

14 (3) "Dealer" means and includes every person who sells or delivers
15 alternative fuels to a user at retail for use in motor vehicles;

16 (4) "Director" means the Director of the Department of Finance and
17 Administration or his duly authorized agents;

18 (5) "Gallon Equivalent" or "Equivalent Gallon" means a quantity of
19 alternative fuels which is the equivalent of one (1) U.S. gallon of gasoline
20 as determined by the Director based on United States Standards or industry
21 standards, provided, one (1) U.S. gallon of gasoline shall be the equivalent
22 of one hundred (100) cubic feet of natural gas fuels;

23 (6) "Interstate user" means any person, except an IFTA carrier user,
24 who imports or exports alternative fuels into or out of this state in the fuel
25 supply tanks of motor vehicles owned or operated by that person;

26 (7) "IFTA carrier" or "IFTA carrier user" means any person who operates
27 a motor vehicle licensed pursuant to the International Fuel Tax Agreement and
28 imports or exports alternative fuels into or out of this state in the fuel
29 supply tanks of motor vehicles owned or operated by that carrier;

30 (8) "Motor vehicles" or "vehicles" means and includes any automobile,
31 truck, truck-tractor, tractor, bus, vehicle, or other conveyance which is
32 propelled by an internal combustion engine or motor and is licensed or
33 required to be licensed for highway use;

34 (9) "Natural gas fuels" means and includes all mixtures of hydrocarbon
35 gases and vapors consisting principally of methane (CH₄) in gaseous form;

1 (10) "Person" means every natural person, fiduciary, partnership, firm,
2 association, corporation, business trust combination acting as a unit, any
3 receiver appointed by any state or federal court, or any municipality, county,
4 or any subdivision, department, agency, board, commission, or other
5 instrumentality of this State;

6 (11) "Use" or "Used" means:

7 (A) Keeping alternative fuels in storage and selling, using, or
8 otherwise disposing of the same for the operation of motor vehicles;

9 (B) Selling alternative fuels in this state to be used for operating
10 motor vehicles; or

11 (C) Operating a motor vehicle in this state with alternative fuels;

12 (12) "User" means and includes every person who delivers or causes to
13 be delivered any alternative fuels into the supply tank of a motor vehicle or
14 motor vehicles used or operated by that person;

15 (13) "Sale" shall include any exchange, gift, or other disposition; and

16 (14) "Purchase" shall include any acquisition of ownership.

17

18 SECTION 3. Penalties. Any person who violates or fails or refuses to
19 comply with any provision of this act for which a specific penalty is not
20 otherwise prescribed shall be guilty of a misdemeanor, and upon conviction
21 shall be fined not less than one hundred dollars (\$100) nor more than one
22 thousand dollars (\$1,000) or imprisoned not less than ten (10) days nor more
23 than sixty (60) days, or both so fined and imprisoned.

24

25 SECTION 4. Rules and regulations. The director is authorized and
26 empowered in consultation with the Director of Highways and Transportation of
27 the Arkansas State Highway and Transportation Department to make and
28 promulgate such rules and regulations, not inconsistent with this act, as they
29 shall deem necessary and desirable to facilitate the collection of the taxes
30 levied in this act and to otherwise effectuate the purposes of this act, and
31 these rules and regulations shall have the same effect as if specifically set
32 forth in this act.

33

34 SECTION 5. Failure, refusal, etc. to make report or pay tax -
35 Penalties, interest - Attorneys' fees.

1 (a) (1) Once an alternative fuels supplier, user, interstate user, or
2 IFTA carrier user of alternative fuels has become liable to file a report with
3 the Director of the Department of Finance and Administration, he must continue
4 to file a report, even though no tax is due, until such time as he notifies
5 the director, in writing, that he is no longer liable for those reports.

6 (2) Any alternative fuels supplier, user, interstate user, or IFTA
7 carrier user of alternative fuels who fails, neglects, or refuses to make any
8 report required by this act or to pay any tax levied at the time and in the
9 manner required in this act shall, in addition to any other penalty provided
10 in this act, be liable for the amount of the tax due, together with a penalty
11 of twenty percent (20%) or a minimum of five dollars (\$5.00), whichever is
12 greater, plus interest at the rate of ten percent (10%) per annum from the
13 date due until paid.

14 (b) If the tax, penalty, and interest are collected by proceedings in
15 court, an additional penalty of twenty percent (20%) of the tax shall be
16 imposed and collected as attorney's fees.

17

18 SECTION 6. False or fraudulent reports - Fraudulent avoidance of tax -
19 Penalty. Any person who makes a false or fraudulent report hereunder or who
20 fraudulently attempts to avoid the payment of the tax herein levied on any
21 alternative fuels shall be guilty of a misdemeanor and upon conviction shall
22 be fined not less than two hundred dollars (\$200) nor more than one thousand
23 dollars (\$1,000) or by imprisonment for not less than thirty (30) days nor
24 more than six (6) months, or both so fined and imprisoned.

25

26 SECTION 7. Assessment of delinquent tax - Time limitations.
27 No assessment of delinquent alternative fuels tax or penalties or interest
28 shall be made for any month after the expiration of three (3) years from the
29 date set for the filing of such monthly return. However, that in case of a
30 false or fraudulent report with intent to evade tax or of failure to file a
31 report, assessment may be made at any time.

32

33 SECTION 8. All of the taxes, fees, penalties and interest collected
34 under the provisions of this act shall be classified as special revenues and
35 shall be deposited in the state treasury. After deducting therefrom the three

1 percent (3%) for credit to the Constitutional Officers Fund and the State
2 Central Services Fund as provided in the Revenue Stabilization Law, §19-5-101,
3 et seq., the treasurer shall transfer on the last business day of each month:

4 (A) Fifteen percent (15%) of the amount thereof to the County Aid Fund;

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

7 (C) Seventy percent (70%) of the amount thereof to the State Highway
8 and Transportation Department Fund.

9 The funds shall be further disbursed in the same manner and used for the same
10 purposes as set out in the Arkansas Highway Revenue Distribution Law,
11 §27-70-201, et seq.

12

13 SECTION 9. Imposition of tax - Exemptions.

14 (a) There is hereby levied and imposed an excise tax per gallon
15 equivalent, at the rate set forth in subsection (b) of this section, on each
16 type of alternative fuels sold, or used in this state, for the purpose of
17 propelling a motor vehicle or motor vehicles in this state, or purchased for
18 sale or use in this state for the purpose of propelling a motor vehicle or
19 motor vehicles in this state. The director shall determine the various types
20 of alternative fuels being utilized in this state and the applicable rates to
21 be imposed for each type fuel in accordance with the following provisions of
22 this section, provided, the director shall, in his initial determination, at a
23 minimum, find at least one type of alternative fuel, specifically, natural gas
24 fuels.

25 (b) The tax rate for each equivalent gallon for each type of
26 alternative fuel shall be in accordance with the following table:

27 Number of Motor Vehicles Licensed	Tax Rate Per
28 in Arkansas utilizing Alternative	Equivalent Gallon
29 Fuels (for each type of	(for each type of alter-
30 alternative fuel)	native fuel)

31

32 0 - 999	\$0.050
33 1,000 - 1,499	\$0.085
34 1,500 - 1,999	\$0.105
35 2,000 - 2,499	\$0.125

1	2,500 - 2,999	\$0.145
2	3,000 & over	\$0.165

3

4 (c) (1) The tax rate set forth in subsection (b) of this section for
5 each type of alternative fuel from the effective date of this act through
6 March 31, 1994, shall be determined and published by the director prior to
7 June 1, 1993, and such rates shall be effective for each type of alternative
8 fuel through March 31, 1994. The tax rate set forth in subsection (b) of this
9 section for each type of alternative fuel shall be adjusted, if necessary, by
10 the director to be effective on April 1, 1994 and on April 1st of each year
11 thereafter based upon the number of vehicles utilizing alternative fuels (by
12 each type of alternative fuel) licensed in this state, as determined by the
13 director, as of December 31st of the preceding calendar year. If a change in
14 the tax rate in accordance with subsection (b) of this section for any type of
15 alternative fuel is required, the director shall include this in the report
16 required by this Section, and the director shall also notify each alternative
17 fuels supplier of the new tax rate not later than thirty (30) days prior to
18 the effective date of such change.

19 (2) Notwithstanding any other provision of this act, in determining the
20 number of alternative fuels vehicles licensed in this state by each type of
21 alternative fuel in order to determine the tax rate per equivalent gallon,
22 there shall not be taken into account any alternative fuel vehicles owned,
23 licensed or used by the United States Government, or any agency or
24 instrumentality thereof.

25 (d) It is the intent of the tax levy set forth in this section to tax
26 each particular type of alternative fuel depending upon the number of
27 alternative fuel vehicles using the particular type of alternative fuel
28 licensed in Arkansas.

29 (e) The director is authorized to develop a procedure such as one
30 pursuant to which the alternative fuel type or other type of fuel is noted on
31 the certificate of title and/or certificate of registration of such vehicle.
32 It is the intention of this subsection to develop a system for the director,
33 the Arkansas Alternative Fuels Commission, and other officials of the State of
34 Arkansas to know the precise number of vehicles utilizing alternative fuels
35 and other fuels licensed in this state, both in the aggregate and by the type

1 of fuel propelling such vehicle.

2 (f) Not later than June 1, 1993, February 15, 1994 and the 15th day of
3 February each year thereafter, the director shall file a written report with
4 the Director of the Arkansas Highway and Transportation Department and the
5 Director of the Arkansas Alternative Fuels Commission setting forth the number
6 of vehicles utilizing alternative fuels and other types of fuels licensed in
7 this state as of the end of the preceding calendar year (both in the aggregate
8 and by type of each fuel) and, for the report due February 15, 1994 and the
9 15th day of February for each year thereafter, the amount of tax revenue
10 received by the State of Arkansas on the tax levied by this act and shall also
11 state the tax rate for the next twelve months commencing as of the first day
12 of April of such year for each type of alternative fuel.

13 (g) Sales to the United States Government are exempted from the tax
14 levied by subsection (a) of this section.

15 (h) The tax levied herein shall not apply to alternative fuels imported
16 into this state in the fuel supply tanks, including any additional containers,
17 of motor vehicles being used solely for noncommercial purposes if the
18 aggregate capacity of the fuel supply tanks, including any additional
19 containers, does not exceed thirty (30) equivalent gallons.

20

21 SECTION 10. Collection and payment of tax.

22 (a) The tax levied by this act shall be collected and paid by
23 alternative fuels suppliers on all alternative fuels, sold or delivered by
24 such suppliers when:

25 (1) delivered into the fuel supply tanks of a motor vehicle;

26 (2) sold to a dealer or user; or

27 (3) used in any motor vehicle owned or operated by that alternative
28 fuels supplier. The director shall make and promulgate rules and regulations
29 for a system for recordkeeping requirements to be kept by such suppliers in
30 fulfilling this subdivision (3).

31 (b) The tax levied by this act shall be paid by an interstate user who
32 uses alternative fuels in this State as provided by section 17 and section 19
33 of this act.

34 (c) The tax levied by this act shall be paid by any person who uses
35 alternative fuels in this state on which the tax levied in this act has not

1 been paid in accordance with the provisions of section 17 or section 19 of
2 this act.

3 (d) The tax levied by this act shall be paid by an IFTA carrier user
4 who uses alternative fuels in this state as provided by section 17 of this
5 act.

6

7 SECTION 11. Separate meters for taxable natural gas fuels and
8 residential or other tax free natural gas.

9 (a) No user, including an alternative fuels supplier of natural gas
10 fuels, who utilizes natural gas for residential or other tax free purposes,
11 shall use such natural gas fuels in motor vehicles unless such natural gas
12 fuels are removed through a separate meter installed by the alternative fuels
13 supplier for such purposes.

14 (b) All alternative fuels suppliers shall monitor such separate meters
15 for billing and taxation purposes.

16 (c) Such users shall be licensed and bonded only if required by section
17 12 of this act but shall remit all taxes to the alternative fuels supplier
18 upon billing by that supplier, which supplier shall further remit such taxes
19 to the director as provided in section 14 of this act. Such user, however, at
20 the time of the installation of the separate meter shall report to the
21 director the number of vehicles, models and makes, license numbers, VIN
22 numbers, and any other information required by the director pursuant to rules
23 and regulations of the director.

24

25 SECTION 12. Licenses and bonds for alternative fuels suppliers and
26 interstate users, IFTA carrier users, etc., generally.

27 (a) No person shall commence operations as an alternative fuels
28 supplier, interstate user, or IFTA carrier user of alternative fuels without
29 first procuring a license for that purpose from the director. This license
30 shall be issued and remain in effect until revoked as provided in this
31 section.

32 (b)(1) Each application for a license as an alternative fuels supplier,
33 interstate user, or IFTA carrier user of alternative fuels, and each license,
34 shall have as a condition that the applicant and holder shall comply with the
35 provisions of this Act.

1 (2) (A) Each application for a license as an alternative fuels supplier,
2 interstate user, or IFTA carrier user, and each such license, shall have as a
3 further condition that the applicant and holder shall not deliver or permit
4 delivery into the fuel supply tanks of motor vehicles any alternative fuels on
5 which the tax levied by this act is not collected or will be remitted pursuant
6 to section 17 of this act.

7 (B) A taxable use of alternative fuels on which the tax is not
8 collected by an applicant for, or a holder of, an alternative fuels supplier
9 license or on a licensed interstate user or IFTA carrier user on which the tax
10 is not remitted pursuant to section 17 of this act, in addition to the penal
11 provisions prescribed in this act, shall cause immediate cancellation of the
12 applicant or holder's license.

13 (c) (1) Every alternative fuels supplier shall file with the director a
14 surety bond of not less than one and one-half (1 1/2) times or one hundred
15 fifty percent (150%) of the prior six (6) months average alternative fuels tax
16 due which is based upon the gallon equivalent of alternative fuels to be sold
17 or distributed as shown by the application for a license if the applicant has
18 not previously been engaged in the business of an alternative fuels supplier,
19 or as shown by sales for the previous year if the applicant previously has
20 been engaged in such business in this state. However, no bond shall be filed
21 for less than one thousand dollars (\$1,000).

22 (2) If the director deems it necessary to protect the state in the
23 collection of alternative fuels taxes, he may require any alternative fuels
24 supplier to post a bond in an amount up to three (3) times or three hundred
25 percent (300%) of the prior six (6) months average alternative fuels tax due.

26 (3) (A) However, the director is authorized to waive the posting of bond
27 by any licensed alternative fuels supplier organized and operating under the
28 laws of Arkansas and wholly owned by residents of this state who has been
29 licensed for a period of at least three (3) years and who has not been
30 delinquent in remitting alternative fuels taxes during the three-year period
31 immediately preceding application by the alternative fuels supplier for waiver
32 of bond.

33 (B) If any alternative fuels supplier whose bond has been waived by the
34 director as authorized in subdivision (c) (3) (A) of this section, subsequently
35 becomes delinquent in remitting alternative fuels taxes to the director, the

1 director may require that the alternative fuels supplier post a bond in the
2 amount required in this section, and the alternative fuels supplier shall not
3 be eligible to petition for a waiver of bond for a period of three (3) years
4 thereafter.

5 (d) Each application of an interstate user, or IFTA carrier user for a
6 license shall be accompanied by a surety bond of a surety company authorized
7 to do business in this state, in favor of the director, satisfactory to him,
8 and in an amount to be fixed by him of not less than one thousand dollars
9 (\$1,000) nor more than fifty thousand dollars (\$50,000), guaranteeing the
10 payment of any and all taxes, penalties, interest, attorney fees, and costs
11 levied by, accrued or accruing under this act. Any violation of this act
12 shall be cause for revocation of any license issued under this act.

13 (e) (1) The bond or bonds shall be issued by a surety company qualified
14 to do business in Arkansas, which shall be executed by the alternative fuels
15 supplier, interstate user, or IFTA carrier user as the principal obligor and
16 shall be made payable to the State of Arkansas as the obligee.

17 (2) The bond shall be conditioned upon the prompt filing of true
18 reports and the payment by the alternative fuels supplier, interstate user, or
19 IFTA carrier user to the director of any and all alternative fuels taxes which
20 are levied or imposed by the State of Arkansas, together with any and all
21 penalties and interest thereon, and, generally, upon faithful compliance with
22 the provisions of this act.

23 (f) In the event that liability upon the bond filed pursuant to this
24 section by the alternative fuels supplier, interstate user, or IFTA carrier
25 user with the director shall be discharged or reduced, whether by judgment
26 rendered, payment made, or otherwise, or if, in the opinion of the director,
27 any surety on the bond shall have become unsatisfactory or unacceptable, then
28 the director may require the filing of a new bond with a satisfactory surety
29 in the same form and amount; failing which, the director shall immediately
30 cancel the license of the alternative fuels supplier, interstate user, or IFTA
31 carrier user. If a new bond shall be furnished, the director shall cancel the
32 bonds for which the new bond shall be substituted.

33 (g) In the event that, upon hearing, of which the alternative fuels
34 supplier, interstate user, or IFTA carrier user shall be given five (5) days'
35 notice in writing, the director shall decide that the amount of the existing

1 bond is insufficient to insure payment to the State of Arkansas of the amount
2 of the tax and any penalties and interest for which said alternative fuels
3 supplier, interstate user, or IFTA carrier user is or may at any time become
4 liable, then the alternative fuels supplier, interstate user or IFTA carrier
5 user, shall immediately, upon written demand of the director, file an
6 additional bond in the same manner and form and with a surety company thereon
7 approved by the director in any amount determined by the director to be
8 necessary to secure at all times the payment to the State of Arkansas of all
9 taxes, penalties, and interest due under the provisions of this Act; failing
10 which, the director shall immediately cancel the license of the alternative
11 fuels supplier, interstate user, or IFTA carrier user.

12 (h) (1) Any surety on any bond furnished as provided in this section
13 shall be released and discharged from any and all liability to the State of
14 Arkansas accruing on the bond after the expiration of sixty (60) days from the
15 date upon which a surety shall have lodged with the director written request
16 to be released and discharged. However, the request shall not operate to
17 relieve, release, or discharge the surety from any liability already accrued,
18 or which shall accrue, before the expiration of the sixty-day period.

19 (2) Upon receipt of notice of such request, the director shall promptly
20 notify the alternative fuels supplier, interstate user, or IFTA carrier user
21 who furnished the bond, and unless the alternative fuels supplier, interstate
22 user, or IFTA carrier user on or before the expiration of the sixty-day
23 period, files with the director a new bond with a surety company satisfactory
24 to the director in the amount and form as provided in this section, the
25 director shall immediately cancel the license of that alternative fuels
26 supplier, interstate user, or IFTA carrier user.

27 (3) If a new bond shall be furnished as provided in this section, the
28 director shall cancel the bond for which the new bond shall be substituted.

29 (i) In lieu of furnishing a bond or bonds executed by a surety company,
30 as provided in this section, any alternative fuels supplier, interstate user,
31 or IFTA carrier user may furnish a bond or other instrument, in form
32 prescribed by the director, equal to the amount of the bond or bonds required
33 by this section, which will provide security or payment of all amounts as
34 described in this section and in compliance with all provisions of this act.

35 (j) (1) Any violation of this act shall be cause for revocation of any

1 license issued pursuant to this act.

2 (2) Should his license be revoked, any alternative fuels supplier,
3 interstate user, or IFTA carrier user may bring an action against the director
4 in the Pulaski County, Arkansas, Chancery Court within fifteen (15) days of
5 the date of revocation to determine whether or not the alternative fuels
6 supplier, interstate user, or IFTA carrier user has in fact violated any of
7 the provisions of this Act. If the court determines that the provisions of
8 the law have been violated by the alternative fuels supplier, interstate user,
9 or IFTA carrier user, it shall affirm the director's action in revoking the
10 license.

11 (k) If any of the provisions of this act regarding IFTA carrier users
12 conflicts with the International Fuel Tax Agreement entered into by this
13 state, the provisions of that agreement shall govern.

14

15 SECTION 13. Sales tickets.

16 (a)(1) Each alternative fuels supplier shall have available a
17 sufficient number of sales tickets prepared in triplicate to cover sales of
18 alternative fuels under the provisions of this act.

19 (2) The forms shall be numbered and prepared with blank spaces for the
20 name and address of the alternative fuels supplier, the name and address of
21 the purchaser, the date of the purchase, number of gallons equivalent
22 purchased, the total cost of fuels purchased including taxes, and such other
23 information as the director may require.

24 (b) The sales tickets shall be issued in triplicate by the alternative
25 fuels supplier, shall be signed by the alternative fuels supplier or his
26 authorized agent, and the original and one (1) copy shall be given to the
27 purchaser, and the remaining copy shall be retained by the seller as a record
28 for a period of at least three (3) years, during which period it shall be
29 subject to inspection by the director or his representative, at all reasonable
30 times.

31 (c) The sales tickets as defined in subsections (a) and (b) of this
32 section shall be the only evidence accepted for tax credit by the director
33 under the provisions of section 17 of this act.

34 (d) Any licensed alternative fuels supplier or agent or employee of
35 such alternative fuels supplier who issues any sales ticket or invoice to any

1 user showing that the user has purchased a quantity of alternative fuels from
2 such alternative fuels supplier, agent, or employee, when in fact such user
3 has not purchased alternative fuels or has purchased less fuel than the ticket
4 or invoice shows, shall be guilty of a misdemeanor and upon conviction shall
5 be fined not less than one hundred dollars (\$100) nor more than one thousand
6 dollars (\$1,000).

7 (e) The director, in consultation with the Director of Highways and
8 Transportation, is hereby authorized and directed to promulgate rules and
9 regulations regarding an alternative to the required usage of sales tickets
10 for all sales of natural gas fuels made by alternative fuels suppliers by
11 separate meter as provided in section 11 of this act. It is the intent of
12 this directive that if a user, other than an interstate user or IFTA carrier
13 user, receives natural gas fuels through a separate meter, there shall be no
14 sales ticket requirement.

15

16 SECTION 14. Alternative fuels suppliers' and users' reports -
17 Computation and remittance of tax.

18 (a) Every alternative fuels supplier shall, on or before the
19 twenty-fifth day of each calendar month, file with the director, on forms
20 prescribed by him, a report accounting for the alternative fuels taxable under
21 this act during the preceding month and shall remit all taxes as reflected by
22 the report to the director at the time of filing such report. The alternative
23 fuels supplier shall file supporting documents necessary to assure accurate
24 reporting. The reports shall include the following:

25 (1) An itemized statement of the number of equivalent gallons of
26 alternative fuels sold and delivered into the fuel supply tanks of motor
27 vehicles during the next preceding calendar month by the alternative fuels
28 supplier;

29 (2) An itemized statement of the number of gallons equivalent of
30 alternative fuels delivered into the fuel supply tanks of motor vehicles
31 owned, leased or operated by the alternative fuels supplier during the next
32 preceding calendar month by the alternative fuels supplier; and

33 (3) An itemized statement of the number of gallons equivalent of
34 alternative fuels sold through separate meter to a user for the fueling of
35 motor vehicles during the next preceding calendar month by the supplier; and

1 (4) Such other documents as the director requires.

2 (b) Every interstate user, and IFTA carrier user, on or before the
3 twenty-fifth day of the month following the end of each calendar quarter,
4 shall file with the director, on forms prescribed by the director, an itemized
5 report showing the quantities of alternative fuels purchased and used in this
6 state during the preceding calendar quarter, together with payments of the tax
7 due thereon.

8

9 SECTION 15. Records required - Invoices - Falsification of records.

10 (a) Every person required by law to secure a license under this Act
11 shall keep records in the time and manner and subject to inspection and audit
12 as required by §26-18-101 et seq., including a complete record of all
13 alternative fuels taxable under this Act and sold, delivered, or used by him
14 showing for each purchase, receipt, sale, delivery, or use:

15 (1) The date;

16 (2) The name and address of the seller from whom the user, interstate
17 user or IFTA carrier user purchased the fuels, and that interstate user, or
18 IFTA carrier user's license number; and

19 (3) An accurate record of the number of gallons equivalent of
20 alternative fuels sold or used for taxable purposes with quantities measured
21 by a meter.

22 (b)(1) For each delivery of alternative fuels directly into the fuel
23 supply tank of a motor vehicle, the required record shall include a
24 serially-numbered invoice issued in not less than triplicate counterparts on
25 which shall be printed or stamped with a rubber stamp the name and address of
26 the alternative fuels supplier making such delivery and on which shall be
27 shown, in spaces to be provided on that invoice, the date of delivery, the
28 number of equivalent gallons and kind of alternative fuels so delivered, the
29 total mileage recorded on the odometer or hub meter of the motor vehicle into
30 which delivered, and the motor vehicle registration number of the motor
31 vehicle, or the interstate user, or IFTA carrier user's license number, if
32 applicable.

33 (2) The invoice shall reflect that the tax has been paid or accounted
34 for on each of the products delivered.

35 (3) One (1) counterpart of the invoice required by this subsection

1 shall be kept by the alternative fuels supplier making such delivery as a part
2 of his record and for the period of time and purposes provided in this Act.
3 Another counterpart shall be delivered to the operator of the motor vehicle
4 and carried in the cab compartment of the motor vehicle for inspection by the
5 director or his representatives until the fuel it covers has been consumed.

6 (c) (1) Every person who operates a motor vehicle that is equipped to
7 use motor fuels taxable under the Motor Fuel Tax Law, §26-55-201 et seq., or
8 equipped to use distillate special fuels taxable under the Special Motor Fuels
9 Tax Law, §26-56-101 et seq., and alternative fuels interchangeably in the
10 propulsion of the motor vehicle shall carry in the cab compartment of the
11 motor vehicle for inspection by the director or his representative, not only
12 the counterpart of the serially-numbered invoice required under subsection (b)
13 of this section for the delivery of alternative fuels into the fuel supply
14 tanks of the motor vehicle but also an invoice or receipt from the seller for
15 each delivery into the fuel supply tanks of the motor vehicle of motor fuels
16 taxable under the Motor Fuel Tax Law, or of distillate special fuels taxable
17 under the Special Motor Fuels Tax Law, which latter invoices or receipts shall
18 show the same information as to date of delivery, quantity, odometer or hub
19 meter mileage, and motor vehicle registration number as is required for the
20 invoice covering alternative fuels.

21 (2) These invoices shall be carried with the motor vehicle until the
22 types of fuels covered thereby have been consumed.

23 (d) The willful issuance of any invoice, required by this act, bill of
24 sale, or receipt which is false, untrue, or incorrect in any material
25 particular, or the alteration or changing except for errors, or forging any
26 such invoice, bill of sale, or receipt, or any duplicate of any such receipt
27 pertaining to alternative fuels, shall constitute a violation of this act.

28 (e) All sales to users made pursuant to section 11 of this act shall
29 not require the carriage of an invoice by the user, provided, the director
30 shall provide by regulation another means of providing an indication that the
31 tax on the fuel being utilized to propel the motor vehicle will ultimately be
32 paid by the user to the alternative fuels supplier who is required to remit
33 such tax to the director.

34

35 SECTION 16. Prima facie presumptions - Failure to keep records, issue

1 invoices, or file reports - Tax, penalties, and interest.

2 (a) Any alternative fuels supplier, user, interstate user, or IFTA
3 carrier user who fails to keep the records, issue the invoices, or file the
4 reports required by this act shall be prima facie presumed to have sold,
5 delivered, or used for taxable purposes all alternative fuels shown by a
6 verified audit by the Arkansas State Highway and Transportation Department,
7 the director, or any authorized representative.

8 (b) The director is authorized to fix or establish the amount of taxes,
9 penalties, and interest due the State of Arkansas from any record or
10 information available to him, or to the Arkansas State Highway and
11 Transportation Department, and if the tax claim as developed from that
12 procedure is not paid, the claim and any audit made by the Arkansas State
13 Highway and Transportation Department, the director or an authorized
14 representative, or any report filed by such alternative fuels supplier, user,
15 interstate user, or IFTA carrier user shall be admissible in evidence in any
16 suit or judicial proceedings filed by the director and shall be prima facie
17 evidence of the correctness of said claim or audit. However, the prima facie
18 presumption of the correctness of the claim may be overcome by evidence
19 adduced by the alternative fuels supplier, user, interstate user or IFTA
20 carrier user.

21

22 SECTION 17. Interstate users and IFTA carrier users - Reports -
23 Computation of tax and refunds.

24 (a) For the purpose of determining whether an interstate user or IFTA
25 carrier user owes alternative fuels tax or is entitled to a credit or refund,
26 the licensed interstate user or licensed IFTA carrier user shall file a
27 quarterly report on or before the twenty-fifth day of the month following the
28 end of each calendar quarter and shall be made on forms prescribed by the
29 director, which forms shall include such information as the director may
30 require.

31 (b) If it shall be determined by the quarterly report that the licensed
32 interstate user or licensed IFTA carrier user has used alternative fuel in
33 this state in excess of the number of equivalent gallons of the fuel upon
34 which the Arkansas tax had been paid, the interstate user or IFTA carrier user
35 shall remit to the director, at the time of filing the report, an excise tax

1 at the rate as previously determined in accordance with Section 9 of this act
2 per equivalent gallon for the taxable quarter multiplied by the number of
3 equivalent gallons used on which the tax has not been paid.

4 (c) If it shall be determined that the licensed interstate user or
5 licensed IFTA carrier user has purchased more equivalent gallons of
6 alternative fuel in this state than he has used in this state, then the
7 licensed interstate user or licensed IFTA carrier user shall be entitled to a
8 credit or refund at the rate as previously determined in accordance with
9 section 9 of this act per equivalent gallon for the taxable quarter for the
10 number of excess equivalent gallons upon which the tax has been paid.

11 (d) Licensed interstate users or licensed IFTA carrier users may not
12 take credit on reports at a tax rate in excess of that actually paid.

13 (e) (1) For the purpose of determining whether such a licensed
14 interstate user or licensed IFTA carrier user owes tax or is entitled to a
15 credit or refund, such licensed user shall determine the average miles per
16 equivalent gallon of alternative fuel used. The average miles per equivalent
17 gallon shall be determined by dividing total miles traveled in all
18 jurisdictions by the total equivalent gallons of alternative fuel used in all
19 jurisdictions. Such licensed user shall then determine the total amount of
20 alternative fuel used within the State of Arkansas by dividing the total
21 number of miles traveled within the State of Arkansas by the average miles per
22 equivalent gallon.

23 (2) The taxpayer's tax liability shall be calculated by multiplying the
24 number of equivalent gallons of alternative fuel used within the State of
25 Arkansas by the applicable tax rate for that calendar quarter per equivalent
26 gallon. A taxpayer shall be entitled to credits against his tax liability for
27 tax-paid alternative fuel purchased within the State of Arkansas.

28 (f) (1) Any licensed interstate user or licensed IFTA carrier user who
29 fails to maintain adequate mileage or fuel records, for the purpose of
30 determining the amount the licensed user owes the State of Arkansas for tax on
31 alternative fuel used in this state as provided in this section, the number of
32 equivalent gallons of alternative fuels used in this state shall be determined
33 by an assessment based on the following mileage factors per equivalent gallon
34 of alternative fuels, regardless of the type of alternative fuel, as compared
35 to the appropriate class of vehicle set out in subdivision (2) of this

1 subsection.

2 (2) For the purposes of this section:

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

5 (B) All truck-type vehicles, except buses, with a factory rating and
6 gross loaded weight of less than twenty-two thousand five hundred pounds
7 (22,500 lbs.), shall be deemed to be Class B vehicles;

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

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

14 (3) The mileage factor per equivalent gallon of alternative fuels for:

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

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

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

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

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

22 (g) For the purposes of determining the amount any unlicensed or
23 unbonded user owes the State of Arkansas for tax on alternative fuels used in
24 this state, only the above mileage factors per equivalent gallon of
25 alternative fuels for the applicable vehicles shall be utilized.

26 (h) (1) If a quarterly report of a licensed interstate user or licensed
27 IFTA carrier user results in a net credit, such user may elect to have the
28 credit carried forward and applied against the alternative fuels tax due for
29 the succeeding eight (8) quarters or until the credit is completely used,
30 whichever occurs first. In the alternative, a taxpayer who is entitled to a
31 net credit on his quarterly fuel tax report may elect to have the amount of
32 credit refunded to him.

33 (2) A licensed interstate user or licensed IFTA carrier user who has a
34 total tax liability for alternative fuels tax during the previous calendar
35 year of less than one hundred dollars (\$100) may, upon application to the

1 director, obtain permission to report his alternative fuel tax liability on an
2 annual basis. The annual report shall be due on or before the twenty-fifth
3 day of the month following the end of each fiscal year.

4 (i) The director shall prescribe the appropriate forms necessary for
5 the administration of this act. The director may make appropriate rules and
6 regulations necessary to insure the accurate reporting of the alternative
7 fuels tax.

8

9 SECTION 18. Interstate users and IFTA carrier users - Tax refund
10 procedure.

11 (a) (1) The director shall quarterly estimate the amount necessary to
12 pay refunds to licensed interstate users and licensed IFTA carrier users of
13 alternative fuels who are entitled to refunds with respect to alternative
14 fuels taxes paid in this state as authorized in section 17 hereof, and, upon
15 certification by the director, the State Treasurer shall transfer from the
16 gross amount of alternative fuels taxes collected each month the amount to the
17 Interstate Alternative Fuels Refund Fund, which is established on the books of
18 the State Treasury, from which the Department of Finance and Administration
19 shall make refunds as provided by law.

20 (2) The transfers from the gross alternative fuels taxes collected each
21 month shall be after deducting allowances for bad checks or claims but before
22 making any other distribution as provided by law.

23 (b) All warrants drawn against the Interstate Alternative Fuels Tax
24 Refund Fund which are not presented for payment within one (1) year of
25 issuance shall be void.

26 (c) Neither the director nor any member or employee of the department
27 shall be held personally liable for making any refund by reason of a
28 fraudulent claim being filed as a basis for such refund.

29 (d) The director, in consultation with the Director of Highways and
30 Transportation, is authorized to promulgate rules and regulations and to
31 prescribe the necessary forms required for the administration of claims for
32 tax refunds from licensed interstate users or licensed IFTA carrier users of
33 alternative fuels in this state as authorized by law, which rules and
34 regulations shall be in conformance with the following requirements:

35 (1) The director shall first determine, with respect to each refund

1 claim filed, that the bond of the interstate user or IFTA carrier user is
2 adequate to compensate the State of Arkansas for any losses with respect to
3 the recovery of any refunds illegally claimed by such user, and he may require
4 the increase of the bond if he determines it to be inadequate before approving
5 any such claim for refund;

6 (2) Each licensed interstate user or licensed IFTA carrier user of
7 alternative fuels claiming refunds shall maintain adequate records to
8 substantiate each claim for refund, and the director may reject any claim for
9 refund if he determines the applicant has not maintained adequate records or
10 has not conformed to the rules and regulations of the department in filing the
11 claim therefor;

12 (3) Each claim for refund must be upon the request of the licensed
13 interstate user or licensed IFTA carrier user which shall be verified by such
14 user as to its accuracy and validity;

15 (4) (A) Each quarterly report filed by a licensed interstate user or
16 licensed IFTA carrier user of alternative fuels with the department shall
17 reflect thereon the amount of alternative fuels purchased for use in Arkansas
18 during the quarter, the number of equivalent gallons of alternative fuels upon
19 which taxes are due the State of Arkansas for the quarter, and the excess
20 equivalent gallons upon which such user is entitled to refunds.

21 (B) At the end of each calendar quarter, the licensed interstate user
22 or licensed IFTA carrier user may make application for refund with respect to
23 the number of equivalent gallons of alternative fuels upon which the
24 alternative fuels taxes have been paid during the calendar quarter for which
25 such user is entitled to refund.

26 (5) The director is authorized to promulgate any such rules or
27 regulations he deems desirable in consultation with the Director of Highways
28 and Transportation regarding refunds to licensed interstate users and IFTA
29 carrier users.

30

31 SECTION 19. (a) Any unlicensed alternative fuels user, unless exempt
32 from the tax levied herein, operating an out-of-state motor vehicle, upon
33 entering the State of Arkansas shall, at the point of entry, secure a copy of
34 an entry slip from the Director of the Department of Finance and
35 Administration or his authorized agent or employee.

1 (b) The entry slip shall be signed by the director or his authorized
2 agent or employee, and the entry slip shall also be signed by the driver of
3 the vehicle.

4 (c) The entry slip shall contain the following information:

5 (1) Name and address of the owner or the operator of the vehicle;

6 (2) State of registration;

7 (3) License number;

8 (4) Odometer reading;

9 (5) Destination and point of leaving state; and

10 (6) Description of vehicle.

11 (d) The entry slip shall remain in the vehicle for the remainder of the
12 trip over the highways of this state and shall be produced for the inspection
13 of the director, or his authorized employee or representative, at any point
14 within the state and shall also be produced at the port of exit to the
15 director, or his authorized agent or employee, for determination of any
16 alternative fuels taxes due the state.

17 (e) For the purpose of determining the amount the interstate user owes
18 the State of Arkansas for tax on alternative fuels used in this state as
19 provided in this section, the number of equivalent gallons of alternative
20 fuels used in this state shall be determined by an assessment based on the
21 mileage factors per equivalent gallon of alternative fuels set out in
22 subsection (f) of section 17 of this act compared to the appropriate class of
23 vehicle set out in that same subsection (f) of section 17.

24 (f) The alternative fuels tax levied by this act shall be paid upon all
25 such fuels used to propel out-of-state motor vehicles upon the highways of
26 this state.

27 (g) The tax shall be paid by the owner or operator of the motor vehicle
28 in either of the following ways, at the option of the owner or operator:

29 (1) By the purchase of a sufficient amount or quantity, as determined
30 above, of alternative fuels from an alternative fuels supplier within the
31 State of Arkansas to propel the vehicle the number of miles which the vehicle
32 travels upon the highways of this state.

33 (A) At the time of the purchase of the fuels, the owner or operator of
34 such vehicle shall obtain from the alternative fuels supplier from whom
35 purchased an invoice or sales ticket, on forms approved by the Director of the

1 Department of Finance and Administration, which shall contain the name and
2 address of the seller of the alternative fuels, the name and address of the
3 purchaser, the date of purchase, the amount or quantity and type of
4 alternative fuels purchased, and the invoice or sales ticket shall remain in
5 the vehicle for the remainder of the trip over the highways of this state.

6 (B) The invoice or sales ticket shall be preserved and retained by the
7 owner or operator for a period of not less than three (3) years and shall be
8 produced for the inspection and examination of the director, or his authorized
9 agent or employee, at any reasonable time and place, either within or without
10 this state, upon proper demand therefor;

11 (2) By the payment of the amount of tax which would be due upon a
12 sufficient quantity, as determined above, of alternative fuels to propel the
13 vehicle over the highways of this state to the director or to his agent,
14 representative, or employee.

15 (A) At the time of payment of the tax, the director, or his employee or
16 representative, shall issue to the person paying the tax a receipt showing the
17 amount of tax paid, the name and address of the owner or operator of the
18 vehicle, a description of the vehicle, including license number and state of
19 registration, the point at which the vehicle entered upon the highways of this
20 state, the destination and the place where the vehicle is to leave the
21 highways of this state, and any other information which the director may
22 require, which receipt shall be signed by the director or his agent or
23 representative.

24 (B) The receipt shall remain in the vehicle for the remainder of the
25 trip over the highways of this state and thereafter shall be preserved and
26 retained by the owner or operator for a period of not less than three (3)
27 years, and shall be produced for the inspection of the director, or his
28 authorized agent or representative, at any reasonable time and place, either
29 within or without this state, upon proper demand.

30 (h) (1) If a person who has not obtained an alternative fuels license
31 from this state, and who is nevertheless determined an alternative fuels user,
32 leaves the State of Arkansas by a state highway or other road not equipped
33 with a permanent port of entry or exit and has not paid the alternative fuels
34 tax or has not purchased tax-paid alternative fuels from a licensed
35 alternative fuels supplier in an amount equal to the number of equivalent

1 gallons used upon the highways of the State of Arkansas, he shall be liable
2 for the payment of the tax due, as determined above, together with the
3 penalties as set out in section 5 of this act.

4 (2) If an unlicensed alternative fuels user is within one (1) mile of
5 the state line on the way out of the state and does not have in his possession
6 a form issued by a licensed alternative fuels supplier showing the number of
7 equivalent gallons purchased equal to the amount used in traveling upon the
8 highways of the State of Arkansas, it shall be prima facie evidence of his
9 failure to comply with the requirements of this act, and he shall be liable
10 for the payment of the tax due, plus the fine as set out in section 6 of this
11 act.

12 (3) In the event an unlicensed alternative fuels user enters the State
13 of Arkansas via a state highway not equipped with a permanent port of entry,
14 and the driver of the vehicle does not receive an entry form, then the burden
15 of proof of the point of entry and time of entry for the purpose of
16 determining the miles traveled, and the tax due shall be upon the driver or
17 owner of the vehicle.

18

19 SECTION 20. Power to stop, investigate, and impound vehicles -
20 Assessment of tax.

21 (a) In order to enforce the provisions of this act, the director or his
22 authorized representative is empowered to stop any motor vehicle which appears
23 to be operating with alternative fuels for the purpose of examining the
24 invoices or other documents required by this act or by regulation and for such
25 other investigative purposes reasonably necessary to determine whether the
26 taxes imposed by this act have been paid, or whether the vehicle is being
27 operated in compliance with the provisions of this act.

28 (b) If, after examination or investigation, it is determined by the
29 director or his authorized representative that the tax imposed by this act has
30 not been paid with respect to the alternative fuels being used in the vehicle,
31 the director or his representative shall immediately assess the tax due,
32 together with the penalty hereinafter provided, to the owner of the vehicle,
33 and give the owner written notice of the assessment by handing it to the
34 driver of the vehicle.

35 (c) The director or his representative is empowered to impound any

1 vehicle found to be operating in violation of this act by a person other than
2 one who has furnished the bond required of users by section 12 of this act
3 until such time as any tax assessed as provided herein has been paid.

4

5 SECTION 21. Unlawful activities regarding operation of motor vehicles.

6 (a) It is unlawful and a violation of this act to operate with
7 alternative fuels any motor vehicle licensed for highway operation on which an
8 odometer or hub meter is not kept at all times in good operating condition to
9 correctly measure and register the miles traveled by the motor vehicle.

10 (b) It shall be unlawful for any person to operate with alternative
11 fuels any vehicle of Arkansas domestic registry unless he has in his
12 possession an invoice, if required, for the alternative fuel and the invoice
13 meets the requirements of section 15 of this act or, if the user has purchased
14 such alternative fuels pursuant to section 11 of this act, he has in his
15 possession the required documents mandated by the provisions of subsection (e)
16 of section 15 of this act.

17 (c) (1) In addition to any other penalties which may be incurred there
18 is levied a specific penalty of twenty-five dollars (\$25.00) for each
19 violation of the provisions of this section.

20 (2) This penalty shall be assessed by the director or his
21 representative and shall be collected in the same manner as is provided for
22 the collection of tax in section 20 of this act.

23

24 SECTION 22. Conversion of vehicles for use of alternative fuels.

25 (a) (1) Any alternative fuels supplier, garage, mechanic, owner, or
26 operator of a motor vehicle who converts or causes a vehicle to be converted
27 to enable the vehicle to be operated on any type of alternative fuel shall
28 report the conversion to the director, on forms prescribed by the director,
29 which shall include, but not be limited to, the model, make, license number
30 and VIN number of the converted vehicle, within ten (10) days after the
31 conversion.

32 (2) If any owner or operator fails to report a conversion to the
33 director within the time prescribed above, such person shall be assessed a
34 penalty of two-hundred and fifty dollars (\$250.00) which shall be in addition
35 to any criminal penalty in this act.

1 (b) The converting or equipping of a vehicle for natural gas propulsion
2 shall be in compliance with rules and regulations to be made and promulgated
3 by the director.

4 (c) It shall be unlawful for any person to operate any motor vehicle
5 which has been converted or equipped to use alternative fuels unless the
6 vehicle has been reported to the director and any permit, if required by this
7 act of that person, has been obtained.

8

9 SECTION 23. In all audits conducted by the Arkansas State Highway and
10 Transportation Department pursuant to this act, that Department may call upon
11 the Director of the Department of Finance and Administration for assistance.

12

13 SECTION 24. The provisions of the "Arkansas Tax Procedure Act,"
14 §26-18-101, et seq., shall be read in para materia with this act and in the
15 event of any conflict with that act and this act, the provisions of the
16 "Arkansas Tax Procedure Act" shall control.

17

18 SECTION 25. All laws and parts of laws in conflict with this act are
19 hereby repealed, provided, nothing in this act is intended to nor shall it
20 abrogate any of the provisions of the "Motor Fuel Tax Law," §26-55-201, et
21 seq., nor shall it abrogate any of the provisions of the "Special Motor Fuels
22 Tax Law," §26-56-101, et seq., which provisions apply to the taxation of motor
23 fuel, distillate special fuels, and liquefied gas special fuels, it being the
24 intent of this act that such fuels continue to be taxed in accordance with
25 those tax laws and not in accordance with this act.

26

27 SECTION 26. The provisions of this act are hereby declared to be
28 severable. If any provision of the act shall be declared to be invalid or to
29 be inapplicable to any person or circumstance, such determination shall not
30 affect the validity or applicability of the other provisions of this act.

31

32 SECTION 27. All provisions of this act of a general and permanent
33 nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas
34 Code Revision Commission shall incorporate the same in the Code.

35

1 SECTION 28. It is hereby found and determined by the Seventy-Ninth
2 General Assembly that no provisions currently exist in the Arkansas Code
3 regarding the taxation of certain alternative fuels utilized in propelling
4 motor vehicles in this state; that such vehicles are currently being operated
5 on the highways, roads and streets of this state without the payment of any
6 fuel taxes thus creating an inequity among the various classes of road-users
7 in this state. It is further found that only by the effectiveness of this act
8 as soon as practicable may such inequity be corrected. Therefore, an
9 emergency is hereby declared to exist and this act being necessary for the
10 immediate preservation of the public peace, health and safety shall be in full
11 force and effect on and after July 1, 1993.

12

13

14

/s/ Willems, et al

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APPROVED: 04/13/93

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