

HOUSE RESOLUTION

URGING THE UNITED STATES CONGRESS TO REPEAL THE CHANGE
IN THE COLLECTION OF FEDERAL DIESEL FUEL EXCISE TAXES
FROM THE RETAIL TO THE WHOLESALE LEVEL.

WHEREAS, the United States Congress in the Omnibus Budget Reconciliation Act of 1987 has recently changed the point of collection of diesel fuel excise taxes from retail level to the wholesale level; and

WHEREAS, this change in the federal excise tax law will now require farmers to pay the diesel fuel tax at the time of purchase and to file for refunds afterwards on a quarterly or annual basis; and

WHEREAS, the upfront payment of these taxes by farmers will raise the farmer's annual cost of production and will further inhibit the farmer's cash flow by requiring a need to borrow additional funds for operating expenses; and

WHEREAS, the requirement to apply for refunds will require more of each farmer's valuable time and shift the paperwork burden from the government to the farmer,

NOW THEREFORE,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE THIRD EXTRAORDINARY SESSION OF THE SEVENTY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ARKANSAS,

That the United States Congress be urged to reverse its vote on this change in the collection of the diesel fuel excise tax and to repeal Title X, Subtitle E, Part I, Section 10502 of the Omnibus Budget Reconciliation Act of 1987.