

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

# **A Bill**

**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."

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

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

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

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

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

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

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

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

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

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

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

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

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

35 (9) "Natural gas fuels" means and includes all mixtures of hydrocarbon

1 gases and vapors consisting principally of methane (CH<sub>4</sub>) in gaseous form;

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

7       (11) "Use" or "Used" means:

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

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

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

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

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

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

18

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

25

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

34

35       SECTION 5. Failure, refusal, etc. to make report or pay tax -

1 Penalties, interest - Attorneys' fees.

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

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

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

18

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

26

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

33

34 SECTION 8. All of the taxes, fees, penalties and interest collected  
35 under the provisions of this act shall be classified as special revenues and

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

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

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

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

10 The funds shall be further disbursed in the same manner and used for the same  
11 purposes as set out in the Arkansas Highway Revenue Distribution Law,  
12 §27-70-201, et seq.

13

14 SECTION 9. Imposition of tax - Exemptions.

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

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

28 Number of Motor Vehicles Licensed 29 in Arkansas utilizing Alternative 30 Fuels (for each type of 31 alternative fuel)	Tax Rate Per Equivalent Gallon (for each type of alter- native fuel)
32 0 - 999	\$0.050
33 1,000 - 1,499	\$0.085
34 1,500 - 1,999	\$0.105

1	2,000 - 2,499	\$0.125
2	2,500 - 2,999	\$0.145
3	3,000 & over	\$0.165

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

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

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

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

1 and other fuels licensed in this state, both in the aggregate and by the type  
2 of fuel propelling such vehicle.

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

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

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

21

22       SECTION 10. Collection and payment of tax.

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

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

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

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

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

35       (c) The tax levied by this act shall be paid by any person who uses

1 alternative fuels in this state on which the tax levied in this act has not  
2 been paid in accordance with the provisions of section 17 or section 19 of  
3 this act.

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

7

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

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

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

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

25

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

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

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

1 provisions of this Act.

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

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

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

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

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

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

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

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

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

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

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

34 (g) In the event that, upon hearing, of which the alternative fuels  
35 supplier, interstate user, or IFTA carrier user shall be given five (5) days'

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

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

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

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

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

1           (j)(1) Any violation of this act shall be cause for revocation of any  
2 license issued pursuant to this act.

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

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

15

16           SECTION 13. Sales tickets.

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

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

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

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

35           (d) Any licensed alternative fuels supplier or agent or employee of

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

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

16

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

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

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

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

34       (3) An itemized statement of the number of gallons equivalent of  
35 alternative fuels sold through separate meter to a user for the fueling of

1 motor vehicles during the next preceding calendar month by the supplier; and

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

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

9

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

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

16 (1) The date;

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

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

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

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

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

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

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

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

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

35

1           SECTION 16. *Prima facie presumptions - Failure to keep records, issue*  
2 *invoices, or file reports - Tax, penalties, and interest.*

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

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

22

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

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

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

1 shall remit to the director, at the time of filing the report, an excise tax  
2 at the rate as previously determined in accordance with Section 9 of this act  
3 per equivalent gallon for the taxable quarter multiplied by the number of  
4 equivalent gallons used on which the tax has not been paid.

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

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

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

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

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

1 to the appropriate class of vehicle set out in subdivision (2) of this  
2 subsection.

3 (2) For the purposes of this section:

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

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

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

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

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

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

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

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

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

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

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

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

34 (2) A licensed interstate user or licensed IFTA carrier user who has a  
35 total tax liability for alternative fuels tax during the previous calendar

1 year of less than one hundred dollars (\$100) may, upon application to the  
2 director, obtain permission to report his alternative fuel tax liability on an  
3 annual basis. The annual report shall be due on or before the twenty-fifth  
4 day of the month following the end of each fiscal year.

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

9

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

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

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

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

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

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

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

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

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

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

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

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

31

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

1 Administration or his authorized agent or employee.

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

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

- 6 (1) Name and address of the owner or the operator of the vehicle;
- 7 (2) State of registration;
- 8 (3) License number;
- 9 (4) Odometer reading;
- 10 (5) Destination and point of leaving state; and
- 11 (6) Description of vehicle.

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

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

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

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

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

34 (A) At the time of the purchase of the fuels, the owner or operator of  
35 such vehicle shall obtain from the alternative fuels supplier from whom

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

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

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

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

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

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

1 alternative fuels supplier in an amount equal to the number of equivalent  
2 gallons used upon the highways of the State of Arkansas, he shall be liable  
3 for the payment of the tax due, as determined above, together with the  
4 penalties as set out in section 5 of this act.

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

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

19

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

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

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

1           (c) The director or his representative is empowered to impound any  
2 vehicle found to be operating in violation of this act by a person other than  
3 one who has furnished the bond required of users by section 12 of this act  
4 until such time as any tax assessed as provided herein has been paid.

5

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

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

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

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

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

24

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

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

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

1 to any criminal penalty in this act.

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

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

9

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

13

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

18

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

27

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

32

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

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

*/s/ Willems, et al*