

# House Bill 2199



**House Amendments ( [html](#) )**

**A-Engrossed ( [html](#) )**

**Enrolled ( [html](#) )**

**Introduced ( [html](#) )**

**HB 2199** Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Department of Transportation) -- Relating to aviation fuel taxes; providing for revenue raising that requires approval by a three-fifths majority.

- 01/27 (H) First reading. Referred to Speaker's desk.
- 01/27 (H) Referred to Transportation with subsequent referral to Revenue.
- 04/02 (H) Public Hearing held.
- 04/26 (H) Public Hearing held.
- 04/30 (H) Public Hearing and Work Session held.
- 05/06 (H) Recommendation: Do pass with amendments and be printed A-Engrossed.
- 05/06 (H) Referred to Revenue by prior reference.
- 05/21 (H) Public Hearing held.
- 05/25 (H) Recommendation: Do pass.
- 05/26 (H) Second reading.
- 05/27 (H) Third reading. Carried by Lehman. Failed. 
- 05/27 (H) Walker changed vote from "aye" to "nay" and served notice of possible reconsideration.
- 05/27 (H) Strobeck changed vote from "aye" to "nay" and served notice of possible reconsideration.
- 05/28 (H) Vote reconsideration carried.
- 05/28 (H) Passed. 
- 06/01 (S) First reading. Referred to President's desk.
- 06/02 (S) Referred to Rules and Elections.
- 06/16 (S) Public Hearing and Work Session held.
- 06/24 (S) Work Session held.
- 06/29 (S) Public Hearing and Work Session held.
- 07/06 (S) Recommendation: Without recommendation and be referred to Public Affairs.
- 07/06 (S) Referred to Public Affairs by order of the President.
- 07/22 (S) Work Session held.
- 07/22 (S) Recommendation: Do pass the A-Eng. bill.

- 07/23 (S) Rules suspended by implied consent. Second reading.
- 07/23 (S) Rules suspended. Third Reading. Carried by Dukes. Passed.
- 07/28 (H) Speaker signed.
- 07/29 (S) President signed.
- 09/01 (H) Governor signed.
- 09/01 (H) (Chapter 1037, 1999 Session Laws) Effective date: October 23, 1999.

HB 2199 Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Department of Transportation) -- Relating to aviation fuel taxes; providing for revenue raising that requires approval by a three-fifths majority.

1-27 (H) First reading. Referred to Speaker's desk. Referred to Transportation with subsequent referral to Revenue.

4-2 Public Hearing held.

4-26 Public Hearing held.

4-30 Public Hearing and Work Session held.

5-6 Recommendation: Do pass with amendments and be printed A-Engrossed.

Referred to Revenue by prior reference.

5-21 Public Hearing held.

5-25 Recommendation: Do pass.

5-26 Second reading.

5-27 Third reading. Carried by Lehman. Failed.

Ayes, 32 --Nays, 13, Bowman, Hill, Knopp, Leonard, Lewis, Minnis, Morgan, Strobeck, Sunseri, Walker, Westlund, Wilson, Witt, Absent, 3--Jenson, Lundquist, Thompson, Excused for business of the House, 12---Atkinson, Beyer, Close, Krummel, Kruse, Morrisette, Piercy, Schrader, Simmons, Starr, Taylor, Winters.

Walker changed vote from 'aye' to 'nay' and served notice of possible reconsideration.

Strobeck changed vote from 'aye' to 'nay' and served notice of possible reconsideration.

*Original*

5-28 Vote reconsideration carried.

Ayes, 47 --Nays, 13, Atkinson, Beyer, Bowman, Close, Deckert, Gianella, Kafoury, Knopp, Kruse, Schrader, Starr, Sunseri, Witt.

Passed.

Ayes, 38 --Nays, 22, Atkinson, Beck, Beyer, Bowman, Close, Deckert, Gardner, Gianella, Harper, Kafoury, Knopp, Kruse, Leonard, Lewis, Minnis, Morgan, Schrader, Starr, Sunseri, Wilson, Winters, Witt.

*Reconsidered vote*

6-1 (S) First reading. Referred to President's desk.

6-2 Referred to Rules and Elections.

6-16 Public Hearing and Work Session held.

6-24 Work Session held.

6-29 Public Hearing and Work Session held.

7-6 Recommendation: Without recommendation and be referred to Public Affairs.

Referred to Public Affairs by order of the President.

7-22 Work Session held.

Recommendation: Do pass the A-Eng. bill.

7-23 Rules suspended by implied consent. Second reading.

Rules suspended. Third Reading. Carried by Dukes. Passed.

Ayes, 24 --Nays, 5, Corcoran, Hannon, Qutub, Tarno, Wilde, Excused, 1--Yih.

7-28 (H) Speaker signed.

7-29 (S) President signed.

9-1 (H) Governor signed.

(Chapter 1037, 1999 Session Laws) Effective date: October 23, 1999.

Increases aviation gas and jet fuel taxes. Dedicates increase to airport pavement preservation program.

70th OREGON LEGISLATIVE ASSEMBLY--1999 Regular Session

NOTE: Matter within { + braces and plus signs + } in an amended section is new. Matter within { - braces and minus signs - } is existing law to be omitted. New sections are within { + braces and plus signs + } .

LC 893

House Bill 2199

Ordered printed by the Speaker pursuant to House Rule 12.00A (5).  
Pre-session filed (at the request of Department of  
Transportation)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Increases aviation gas and jet fuel taxes. Dedicates increase to airport pavement preservation program. ]

A BILL FOR AN ACT

Relating to aviation fuel taxes; creating new provisions; amending ORS 319.020 and 319.330; and providing for revenue raising that requires approval by a three-fifths majority.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 319.020 is amended to read:

319.020. (1) Subject to subsections (2) to (4) of this section, in addition to the taxes otherwise provided for by law, every dealer engaging in the dealer's own name, or in the name of others, in the first sale, use or distribution of motor vehicle fuel or aircraft fuel or withdrawal of motor vehicle fuel or aircraft fuel for sale, use or distribution within areas in this state within which the state lacks the power to tax the sale, use or distribution of motor vehicle fuel or aircraft fuel, shall:

(a) Not later than the 25th day of each calendar month, render a statement to the Department of Transportation of all motor vehicle fuel or aircraft fuel sold, used, distributed or so withdrawn by the dealer in the State of Oregon as well as all such fuel sold, used or distributed in this state by a purchaser thereof upon which sale, use or distribution the dealer has assumed liability for the applicable license tax during the preceding calendar month.

(b) Except as provided in ORS 319.270, pay a license tax computed on the basis of 24 cents per gallon on the first sale, use or distribution of such motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as shown by such statement in the manner and within the time provided in ORS 319.010 to 319.430.

(2) When aircraft fuel is sold, used or distributed by a dealer, the license tax shall be computed on the basis of  
{ - three - } { + six + } cents per gallon of fuel so sold,

used or distributed, except that when aircraft fuel usable in aircraft operated by turbine engines (turbo-prop or jet) is sold, used or distributed, the tax rate shall be { - one-half of - } one cent per gallon.

(3) In lieu of claiming refund of the tax paid on motor vehicle fuel consumed by such dealer in nonhighway use as provided in ORS 319.280, 319.290 and 319.320, or of any prior erroneous payment of license tax made to the state by such dealer, the dealer may show such motor vehicle fuel as a credit or deduction on the monthly statement and payment of tax.

(4) The license tax computed on the basis of the sale, use, distribution or withdrawal of motor vehicle or aircraft fuel shall not be imposed wherever such tax is prohibited by the Constitution or laws of the United States with respect to such tax.

SECTION 2. ORS 319.330 is amended to read:

319.330. (1) Whenever any statement and invoices are presented to the Department of Transportation showing that motor vehicle fuel or aircraft fuel has been purchased and used in operating aircraft engines and upon which the full tax for motor vehicle fuel has been paid, the department shall refund the tax paid, but only after deducting from the tax paid { - three - }

{ + six + } cents for each gallon of such fuel so purchased and used, except that when such fuel is used in operating aircraft turbine engines (turbo-prop or jet) the deduction shall be { - one-half of - } one cent for each gallon. No deduction provided under this subsection shall be made on claims presented by the United States or on claims presented where a satisfactory showing has been made to the department that such aircraft fuel has been used solely in aircraft operations from a point within the State of Oregon directly to a point not within any state of the United States. The amount so deducted shall be paid on warrant of the Oregon Department of Administrative Services to the State Treasurer, who shall credit such amount to the account or appropriation for the purpose of carrying out the provisions of the state aeronautic law, and such amounts hereby are appropriated for such purposes.

(2) If satisfactory evidence is presented to the Department of Transportation showing that aircraft fuel upon which the tax has been paid has been purchased and used solely in aircraft operations from a point within the State of Oregon directly to a point not within any state of the United States, the department shall refund the tax paid.

SECTION 3. On July 1, 2000, ORS 319.020, as amended by section 1 of this 1999 Act, is amended to read:

319.020. (1) Subject to subsections (2) to (4) of this section, in addition to the taxes otherwise provided for by law, every dealer engaging in the dealer's own name, or in the name of others, in the first sale, use or distribution of motor vehicle fuel or aircraft fuel or withdrawal of motor vehicle fuel or aircraft fuel for sale, use or distribution within areas in this state within which the state lacks the power to tax the sale, use or distribution of motor vehicle fuel or aircraft fuel, shall:

(a) Not later than the 25th day of each calendar month, render a statement to the Department of Transportation of all motor vehicle fuel or aircraft fuel sold, used, distributed or so withdrawn by the dealer in the State of Oregon as well as all such fuel sold, used or distributed in this state by a purchaser thereof upon which sale, use or distribution the dealer has

assumed liability for the applicable license tax during the preceding calendar month.

(b) Except as provided in ORS 319.270, pay a license tax computed on the basis of 24 cents per gallon on the first sale, use or distribution of such motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as shown by such statement in the manner and within the time provided in ORS 319.010 to 319.430.

(2) When aircraft fuel is sold, used or distributed by a dealer, the license tax shall be computed on the basis of { - six - } { + nine + } cents per gallon of fuel so sold, used or distributed, except that when aircraft fuel usable in aircraft operated by turbine engines (turbo-prop or jet) is sold, used or distributed, the tax rate shall be one cent per gallon.

(3) In lieu of claiming refund of the tax paid on motor vehicle fuel consumed by such dealer in nonhighway use as provided in ORS 319.280, 319.290 and 319.320, or of any prior erroneous payment of license tax made to the state by such dealer, the dealer may show such motor vehicle fuel as a credit or deduction on the monthly statement and payment of tax.

(4) The license tax computed on the basis of the sale, use, distribution or withdrawal of motor vehicle or aircraft fuel shall not be imposed wherever such tax is prohibited by the Constitution or laws of the United States with respect to such tax.

SECTION 4. On July 1, 2000, ORS 319.330, as amended by section 2 of this 1999 Act, is amended to read:

319.330. (1) Whenever any statement and invoices are presented to the Department of Transportation showing that motor vehicle fuel or aircraft fuel has been purchased and used in operating aircraft engines and upon which the full tax for motor vehicle fuel has been paid, the department shall refund the tax paid, but only after deducting from the tax paid { - six - } { + nine + } cents for each gallon of such fuel so purchased and used, except that when such fuel is used in operating aircraft turbine engines (turbo-prop or jet) the deduction shall be one cent for each gallon. No deduction provided under this subsection shall be made on claims presented by the United States or on claims presented where a satisfactory showing has been made to the department that such aircraft fuel has been used solely in aircraft operations from a point within the State of Oregon directly to a point not within any state of the United States. The amount so deducted shall be paid on warrant of the Oregon Department of Administrative Services to the State Treasurer, who shall credit such amount to the account or appropriation for the purpose of carrying out the provisions of the state aeronautic law, and such amounts hereby are appropriated for such purposes.

(2) If satisfactory evidence is presented to the Department of Transportation showing that aircraft fuel upon which the tax has been paid has been purchased and used solely in aircraft operations from a point within the State of Oregon directly to a point not within any state of the United States, the department shall refund the tax paid.

SECTION 5. { + (1) Moneys from the increases in taxes by the amendments to ORS 319.020 by sections 1 and 3 of this 1999 Act shall be used by the Department of Transportation to establish and fund a program to maintain and preserve the pavements used for runways, taxiways and aircraft parking areas at public use airports in this state.

(2) Projects for maintenance and preservation of pavements at

publicly owned public use airports that are identified in the plan developed under ORS 835.015 are eligible for funding under this section. The following expenses of projects selected may be funded under this section:

- (a) Construction expenses;
- (b) Engineering expenses; and
- (c) Administrative expenses.

(3) The manager of the department's aeronautics program shall prepare a list of recommended projects. Factors to be used by the manager include, but are not limited to:

- (a) The age and condition of pavements;
- (b) An airport's role in the state's aviation system, as described by the plan developed under ORS 835.015; and
- (c) Local financial participation in projects.

(4) The manager shall forward the list of recommended projects to the aviation advisory committee established under ORS 835.009. The committee shall review the list and shall present the list, with any comments, to the Oregon Transportation Commission for approval.

(5) The department may adopt such rules as it deems necessary for implementation of the airport pavement preservation program. + }

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70th OREGON LEGISLATIVE ASSEMBLY--1999 Regular Session

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LC 893

A-Engrossed

House Bill 2199

Ordered by the House May 6

Including House Amendments dated May 6

Ordered printed by the Speaker pursuant to House Rule 12.00A (5).  
Presession filed (at the request of Department of  
Transportation)

SUMMARY

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(a) Not later than the 25th day of each calendar month, render a statement to the Department of Transportation of all motor vehicle fuel or aircraft fuel sold, used, distributed or so withdrawn by the dealer in the State of Oregon as well as all such fuel sold, used or distributed in this state by a purchaser thereof upon which sale, use or distribution the dealer has assumed liability for the applicable license tax during the preceding calendar month.

(b) Except as provided in ORS 319.270, pay a license tax computed on the basis of 24 cents per gallon on the first sale, use or distribution of such motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as shown by such statement in the manner and within the time provided in ORS 319.010 to 319.430.

(2) When aircraft fuel is sold, used or distributed by a dealer, the license tax shall be computed on the basis of { - three - } { + six + } cents per gallon of fuel so sold, used or distributed, except that when aircraft fuel usable in aircraft operated by turbine engines (turbo-prop or jet) is sold, used or distributed, the tax rate shall be { - one-half of - } one cent per gallon.

(3) In lieu of claiming refund of the tax paid on motor vehicle fuel consumed by such dealer in nonhighway use as provided in ORS 319.280, 319.290 and 319.320, or of any prior erroneous payment of license tax made to the state by such dealer, the dealer may show such motor vehicle fuel as a credit or deduction on the monthly statement and payment of tax.

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(2) If satisfactory evidence is presented to the Department of Transportation showing that aircraft fuel upon which the tax has been paid has been purchased and used solely in aircraft operations from a point within the State of Oregon directly to a point not within any state of the United States, the d