

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
74th Oregon Legislative Assembly
2008 Special Session
Legislative Revenue Office

Bill Number:	SB 1079-A
Area:	Transportation
Economist:	Mazen Malik
Date:	Feb-05-2008

Measure Description:

Requires issuers of cardlock cards to provide the Department of Transportation with fuel tax information and to collect and remit fuel taxes when cardlock cardholders purchase fuel at a retail facility that has an attended station portion and a cardlock card reader. Exempts some uses of fuel from the 10 percent ethanol mix requirement.

Revenue Impact: Small impact (Less than \$50,000) to the state highway fund.

Some reduction is possible due to the relaxation of requirements and the shifting of responsibility for documentation to the card issuer.

Impact Explanation:

Fuel Tax Group collected about \$40 million in use fuel (diesel) tax during 2007. Of this, about \$38.3 million was collected from 750 licensed use fuel sellers; about \$1.7 million was collected directly from licensed fuel users. Cardlock card issuers are included in the count of 750 licensed fuel sellers, including payments by cardlock card issuers from those by other fuel sellers. ODOT's fuel tax data does not indicate how many licensed fuel users have cardlock card readers installed at their facilities. However, an estimate based on ODOT auditors' experience suggest about 20 fuel sellers have cardlock card readers,

Improved documentation provided by cardlock card issuers may reduce the number of instances where fuel sellers cannot provide documentation for sales at cardlock readers that tax was appropriately paid (or not) and therefore reduce the amount of department's collections from fuel sellers at audit. Thus, the amount of the revenue reduction cannot be reliably estimated.