

House Bill 2397

Sponsored by Representative WITT; Representatives BAILEY, BUCKLEY, HARKER, HOLVEY, KENY-GUYER
(Pre-session filed.)

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**.

Imposes fee on retail sale of studded tires and on installation of studs in tires. Provides exception.

Becomes operative May 1, 2014.

A BILL FOR AN ACT

1
2 Relating to studded tires.

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

4 **SECTION 1. (1) As used in this section, "tire dealer" means a person engaged in a busi-**
5 **ness, trade, occupation, activity or enterprise that sells, transfers, exchanges or barter-**
6 **ties or tire-related products for consideration.**

7 **(2) Except as provided in subsection (3) of this section, in addition to any other fee im-**
8 **posed by this state, a fee of \$_____ is imposed on the retail sale of each new tire with studs**
9 **and on the installation of studs in a tire. The fee is imposed on a tire dealer at the time the**
10 **dealer sells a tire with studs or installs studs in a tire for the ultimate consumer.**

11 **(3) Subsection (2) of this section does not apply to retractable studded tires as described**
12 **in ORS 815.045.**

13 **(4) On or before the last day of January, April, July and October, a tire dealer shall file**
14 **a return with the Department of Revenue in such form and containing such information as**
15 **the department prescribes by rule and shall pay to the department the fee imposed by sub-**
16 **section (2) of this section for the preceding calendar quarter, subject to subsection (7) of this**
17 **section.**

18 **(5) At the written request of a tire dealer, the department may extend the time for filing**
19 **a return and paying fees under this section. An extension granted under this subsection shall**
20 **be for a period not to exceed one month and may be granted at any time if the request is**
21 **filed with the department prior to the deadline for filing the return. When an extension is**
22 **granted, interest at the rate established under ORS 305.220 shall be added and paid for each**
23 **month, or fraction of a month, that the payment is late.**

24 **(6) The department shall adopt rules prescribing penalties and interest for the late pay-**
25 **ment of fees for which the department has not granted an extension.**

26 **(7) The amount paid to the department by a tire dealer per quarter, as described in sub-**
27 **section (4) of this section, shall be reduced by five percent of the total amount owed by the**
28 **tire dealer to compensate the tire dealer for expenses incurred in collecting and remitting**
29 **the fee.**

30 **(8) From the time liability is incurred and until paid, the fees, penalties and interest im-**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

1 posed by this section shall be a personal debt owed by the tire dealer to the State of Oregon.

2 **SECTION 2.** After the payment of expenses of the Department of Revenue for adminis-
3 tration and collection of the studded tire fee imposed under section 1 of this 2013 Act, the
4 department shall transfer the moneys collected under section 1 of this 2013 Act to the State
5 Treasurer in accordance with ORS 366.510 for deposit in the State Highway Fund. The mon-
6 eys shall be used solely for repair of damage caused by tires with studs to state, county and
7 city highways, roads and streets and shall be allocated as follows:

8 (1) 50 percent to the Department of Transportation.

9 (2) 30 percent to counties for distribution as provided in ORS 366.762.

10 (3) 20 percent to cities for distribution as provided in ORS 366.800.

11 **SECTION 3.** Sections 1 and 2 of this 2013 Act become operative on May 1, 2014.

12 **SECTION 4.** The Department of Revenue and the Department of Transportation may take
13 any action before the operative date specified in section 3 of this 2013 Act that is necessary
14 to enable the departments to exercise, on and after the operative date specified in section 3
15 of this 2013 Act, all the duties, functions and powers conferred on the departments by
16 sections 1 and 2 of this 2013 Act.

17 _____