

STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Fiscal: No Fiscal Impact
Revenue: Has minimal revenue impact

Action Date: 06/09/15

Action: Do Pass.

Meeting Dates: 06/09

Vote:

Yeas: 4 - Baertschiger Jr, Boquist, Hass, Riley

Exc: 1 - Edwards

Prepared By: Mazen Malik, Senior Economist

WHAT THE MEASURE DOES:

Specifies that vehicle dealers may be exempted from weight-mile taxes when operating a vehicle owned or controlled by the dealer, the vehicle is displaying dealer plates, and is being operated for test driving purposes while unloaded.

ISSUES DISCUSSED:

- Test drives
- Weight/mile payers for highway use and transporting goods
- Dealers and PUC permits.

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Under current law, persons or organizations licensed as vehicle dealers in Oregon are required to pay a license tax of 30 cents per gallon for fuel used or dispensed in the operation of vehicles offered for sale by the dealer. However, in cases where the vehicle offered for sale is a tractor-trailer combination which, when operating commercially, will be required to pay the alternative weight-mile tax, the dealer is required to remit taxes via the weight/mile system. House Bill 2266 specifies that vehicles operated while under ownership and/or control of the vehicle dealers in an unloaded condition and is being used for test driving purposes may remit taxes in the same manner as for passenger and light-duty vehicles.