

Requested by Representative MCKEOWN

**PROPOSED AMENDMENTS TO
HOUSE BILL 2402**

1 On page 1 of the printed bill, delete lines 7 through 30.

2 Delete page 2 and insert:

3 **SECTION 1.** Section 3, chapter 700, Oregon Laws 2015, is amended to
4 read:

5 **“Sec. 3.** (1) The amendments to ORS 319.020 by section 1 [*of this 2015*
6 *Act*], **chapter 700, Oregon Laws 2015**, apply to aircraft fuel sold, used or
7 distributed on or after January 1, 2016, and before January 1, [2022] **2020**.

8 “(2) The amendments to ORS 319.330 by section 2 [*of this 2015 Act*],
9 **chapter 700, Oregon Laws 2015**, apply to fuel purchased and used in oper-
10 ating aircraft engines on or after January 1, 2016, and before January 1,
11 [2022] **2020**.

12 **SECTION 2.** ORS 319.020, as amended by section 4, chapter 700, Oregon
13 Laws 2015, and section 41, chapter 750, Oregon Laws 2017, is amended to
14 read:

15 “319.020. (1) Subject to subsections (2) to (4) of this section, in addition
16 to the taxes otherwise provided for by law, every dealer engaging in the
17 dealer’s own name, or in the name of others, in the first sale, use or dis-
18 tribution of motor vehicle fuel or aircraft fuel or withdrawal of motor vehi-
19 cle fuel or aircraft fuel for sale, use or distribution within areas in this state
20 within which the state lacks the power to tax the sale, use or distribution
21 of motor vehicle fuel or aircraft fuel, shall:

1 “(a) Not later than the 25th day of each calendar month, render a state-
2 ment to the Department of Transportation of all motor vehicle fuel or air-
3 craft fuel sold, used, distributed or so withdrawn by the dealer in the State
4 of Oregon as well as all such fuel sold, used or distributed in this state by
5 a purchaser thereof upon which sale, use or distribution the dealer has as-
6 sumed liability for the applicable license tax during the preceding calendar
7 month. The dealer shall render the statement to the department in the man-
8 ner provided by the department by rule.

9 “(b) Except as provided in ORS 319.270, pay a license tax computed on the
10 basis of 34 cents per gallon on the first sale, use or distribution of such
11 motor vehicle fuel or aircraft fuel so sold, used, distributed or withdrawn as
12 shown by such statement in the manner and within the time provided in ORS
13 319.010 to 319.430.

14 “(2) When aircraft fuel is sold, used or distributed by a dealer, the license
15 tax shall be computed on the basis of [*nine*] **13** cents per gallon of fuel so
16 sold, used or distributed, except that when aircraft fuel usable in aircraft
17 operated by turbine engines (turbo-prop or jet) is sold, used or distributed,
18 the tax rate shall be [*one cent*] **five cents** per gallon.

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

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

28 “**SECTION 3.** ORS 319.330, as amended by section 5, chapter 700, Oregon
29 Laws 2015, is amended to read:

30 “319.330. (1) Whenever any statement and invoices are presented to the

1 Department of Transportation showing that motor vehicle fuel or aircraft
2 fuel has been purchased and used in operating aircraft engines and upon
3 which the full tax for motor vehicle fuel has been paid, the department shall
4 refund the tax paid, but only after deducting from the tax paid [*nine*] **13** cents
5 for each gallon of such fuel so purchased and used, except that when such
6 fuel is used in operating aircraft turbine engines (turbo-prop or jet) the de-
7 duction shall be [*one cent*] **five cents** for each gallon. No deduction provided
8 under this subsection shall be made on claims presented by the United States
9 or on claims presented where a satisfactory showing has been made to the
10 department that such aircraft fuel has been used solely in aircraft operations
11 from a point within the State of Oregon directly to a point not within any
12 state of the United States. The amount so deducted shall be paid on warrant
13 of the Oregon Department of Administrative Services to the State Treasurer,
14 who shall credit the amount to the State Aviation Account for the purpose
15 of carrying out the provisions of the state aviation law. Moneys credited to
16 the account under this section are continuously appropriated to the Oregon
17 Department of Aviation.

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

23 **“SECTION 4. (1) The amendments to ORS 319.020 by section 2 of this**
24 **2019 Act apply to aircraft fuel sold, used or distributed on or after**
25 **January 1, 2020.**

26 **“(2) The amendments to ORS 319.330 by section 3 of this 2019 Act**
27 **apply to fuel purchased and used in operating aircraft engines on or**
28 **after January 1, 2020.**

29 **“SECTION 5. Sections 6 and 8, chapter 700, Oregon Laws 2015, are**
30 **repealed.**

