

IDAPA 35 - STATE TAX COMMISSION

35.01.05 - MOTOR FUELS TAX ADMINISTRATIVE RULES

DOCKET NO. 35-0105-1301

NOTICE OF INTENT TO PROMULGATE RULES - NEGOTIATED RULEMAKING

AUTHORITY: In compliance with Sections 67-5220(1) and 67-5220(2), Idaho Code, notice is hereby given that this agency intends to promulgate rules and desires public comment prior to initiating formal rulemaking procedures. This negotiated rulemaking action is authorized pursuant to Sections 67-5221(1), 63-105, and 63-2427, Idaho Code.

METHOD OF PARTICIPATION: Interested persons wishing to participate in the negotiated rulemaking must respond to this notice by contacting the undersigned either in writing, by email, or by calling the phone number listed below. To participate, responses must be received by May 22, 2013.

Should a reasonable number of persons respond to this notice, negotiated meetings will be scheduled and all scheduled meetings shall be posted and made accessible on the agency website at <http://tax.idaho.gov/>.

Upon conclusion of the negotiated rulemaking, any unresolved issues, all key issues considered, and conclusions reached during the negotiated rulemaking will be addressed in a written summary and made available on the agency website at <http://tax.idaho.gov/>.

Failure of interested persons to respond to this notice of intent or the lack of a sufficient number of responses to this notice of intent may result in the discontinuation of further informal proceedings. In either event the agency shall have sole discretion in determining the feasibility of scheduling and conducting informal negotiated rulemaking and may proceed directly to formal rulemaking if proceeding with negotiated rulemaking is deemed infeasible.

Persons wishing to participate in the negotiated rulemaking may do any of the following:

1. Attend a scheduled negotiated rulemaking meeting and participate in the negotiation process;
2. Attend through a teleconference;
3. Provide oral or written recommendations, or both, at a scheduled negotiated rulemaking meeting; and/or
4. Submit written recommendations and comments to the address below.

DESCRIPTIVE SUMMARY: The following is a statement in nontechnical language of the substance and purpose of the intended negotiated rulemaking and the principle issues involved:

Motor Fuels Tax Rule 105 is being amended to maintain consistency with House Bill 20 (enacted during the 2013 legislative session) which allows the Tax Commission to sell gaseous fuel decals. The rule will also be changed to clarify when sales of gaseous fuel are exempt from the motor fuels tax and what records are required for the exempt sales.

Motor Fuels Tax Rule 110 outlines conversion factors required by 63-2424(1) to make it possible to assess the \$0.25 gasoline tax on the gaseous fuel equivalent to the energy of a gallon of gasoline. The rule is being changed to align the conversion factors to a national standard.

Motor Fuels Tax Rule 115 allows a change in the gaseous fuels permit fees when there is a change in the gasoline tax. This rule is being changed to ensure consistency with changes made to Motor Fuels Rule 110.

Motor Fuels Tax Rules 270 is being changed to eliminate the proration percentage offered in paragraph 06.a of sixty-percent (60%) for diesel and twenty-five percent (25%) for gasoline. The alternate proration percentage allowed by paragraph 06.a which is authorized by the Tax Commission will become the only proration percentage allowed by paragraph 06.a.

Motor Fuels Tax Rule 290 allows special fuels alternative Miles Per Gallon consumption rates. The rule is being changed due to the increased efficiency of motor vehicle engines.

Motor Fuels Tax Rule 292 allows standard allowances for special fuels power take-offs (PTO's). The rule is being changed due to increased efficiency of motor vehicle engines.

Motor Fuels Tax Rule 510 is being changed to clarify when used motor oils are received in the state and subject to the transfer fee authorized in 41-4909(7).

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS, OBTAINING COPIES: For assistance on technical questions concerning this negotiated rulemaking or to obtain a copy of the preliminary draft of the text of the proposed rule, if available, contact Don Williams (208) 334-7855.

Anyone may submit written comments regarding this negotiated rulemaking. All written comments must be directed to the undersigned.

DATED this 5th day of April, 2013.

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