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Idaho State Legislature

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MEMORANDUM

TO: Rules Review Subcommittee of the Senate Transportation n Committee and the House Transportation and Defense Committee

FROM: Division Manager - Mike Nugent

DATE: July 08, 2015

SUBJECT: State Tax Commission -- Motor Fuels Tax- Corrected Version

IDAPA 35.01.05 - Motor Fuels Tax (Docket No. 35-0105-1501)

In 2015 the Legislature passed two bills dealing with the motor fuels tax HB132 and HB312. HB312 was the bill that increased the fuel tax by seven cents per gallon. HB132 was the bill that eliminated the gaseous fuel decal and required the owners of vehicles to pay the tax based on a gasoline energy equivalent and defined the conversion factors for liquefied natural gas and compressed natural gas a diesel gallon equivalent and gasoline gallon equivalent respectively. The current rules give the conversion factor and resulting tax based on the motor fuel tax rate of twenty-five cents per gallon. The temporary and proposed rules remove the specific tax rate and add the formula to compute the fuel tax on gaseous special fuels.

It appears the temporary and proposed rules have been promulgated within the scope of statutory authority granted to the State Tax Commission.

cc: State Tax Commission - Fuels Tax
Don Williams