



Eric Milstead
Director

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Idaho State Legislature

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MEMORANDUM

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

FROM: Division Manager - Mike Nugent

DATE: August 10, 2015

SUBJECT: State Tax Commission

IDAPA 35.01.05 - Idaho Motor Fuels Tax - Proposed Rule (Docket No. 35-0105-1503)

The State Tax Commission is proposing to amend its motor fuels tax rules to implement two bills that passed during the 2015 Regular Legislative Session HB 43 and HB 132. HB 43 clarified provisions relating to the prohibition of dyed or marked diesel fuel use on state highways and removed penalty provisions; renamed a certain license and revised and provided additional requirements relating to the license. HB 132 eliminated the gaseous fuel decal and required these vehicles to pay the tax based on a gasoline energy equivalent. HB 132 also added a definition of a gaseous fuel, and defined the conversion factors for liquefied natural gas and compressed natural gas as a diesel gallon equivalent, and gasoline gallon equivalent respectively.

It appears the proposed rules have been promulgated within the scope of statutory authority to the State Tax Commission and do appear to implement both HB 43 and HB 132.

cc: State Tax Commission
Sherry Briscoe