

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1865 Session of  
1987

INTRODUCED BY DORR, TRELLO, BUNT, MORRIS, FOSTER, CARLSON,  
STABACK, JADLOWIEC, ITKIN, JOHNSON, VEON, PHILLIPS, SEVENTY,  
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LASHINGER, BURD, CAPPABIANCA, MERRY AND STAIRS, OCTOBER 19,  
1987

REFERRED TO COMMITTEE ON FINANCE, OCTOBER 19, 1987

AN ACT

1 Amending the act of May 21, 1931 (P.L.149, No.105), entitled, as  
2 amended, "An act imposing a State tax, payable by those  
3 herein defined as distributors, on liquid fuels used or sold  
4 and delivered within the Commonwealth, which are practically,  
5 and commercially suitable for use in internal combustion  
6 engines for the generation of power; providing for the  
7 collection and lien of the tax, and the distribution and use  
8 of the proceeds thereof; requiring such distributors to  
9 secure permits, to file corporate surety bonds and reports,  
10 and to retain certain records; imposing duties on retail  
11 dealers, common carriers, county commissioners, and such  
12 distributors; providing for rewards; imposing certain costs  
13 on counties; conferring powers and imposing duties on certain  
14 State officers and departments; providing for refunds;  
15 imposing penalties; and making an appropriation," further  
16 providing for the refund of liquid fuels tax money collected  
17 from fuels used in snowmobiles for deposit into a restricted  
18 receipts account.

19 The General Assembly of the Commonwealth of Pennsylvania  
20 hereby enacts as follows:

21 Section 1. Section 17 of the act of May 21, 1931 (P.L.149,  
22 No.105), known as The Liquid Fuels Tax Act, amended March 12,  
23 1957 (P.L.8, No.3), July 15, 1969 (P.L.161, No.65) and December  
24 19, 1975 (P.L.556, No.156), is amended to read:

1       Section 17. Refunds.--(a) The Board of Finance and Revenue  
2 may refund to distributors taxes, penalties, and interest paid  
3 by them on liquid fuels delivered to the United States  
4 government, or paid as the result of an error of law or of fact  
5 or of both law and fact. Claims for such refunds shall be made  
6 under the procedure prescribed by The Fiscal Code.

7       (b) Any person who shall use or buy liquid fuels on which  
8 the tax imposed by this act shall have been paid and shall  
9 consume the same (i) in the operation of any nonlicensed farm  
10 tractor or licensed farm tractor when used off the highways for  
11 agricultural purposes or nonlicensed powered farm machinery for  
12 purposes relating to the actual production of farm products or  
13 (ii) in the operation of a vehicle of a volunteer fire company,  
14 volunteer ambulance service or volunteer rescue squad shall be  
15 reimbursed the full amount of such tax.

16       (c) (1) When the tax imposed by this act shall have been  
17 paid and the fuel on which such tax has been imposed shall have  
18 been consumed in the operation of motorboats or watercraft upon  
19 the waters of the Commonwealth, including waterways bordering on  
20 the Commonwealth, the full amount of such tax shall be refunded  
21 to the Boating Fund of the Fish Commission on petition to the  
22 Board of Finance and Revenue in accordance with prescribed  
23 procedures.

24       (2) In accordance with such procedures, the Pennsylvania  
25 Fish Commission shall biannually calculate the amount of liquid  
26 fuels tax consumed by said motorcraft and furnish such  
27 information relating to its calculations and data as may be  
28 prescribed or required by the Board of Finance and Revenue. This  
29 board shall review the petition and motorboat fuel consumption  
30 calculations of the Pennsylvania Fish Commission and then

1 determine the amount of liquid fuels tax paid on liquid fuels  
2 consumed in the propulsion of motorboats and other motorcraft on  
3 the waters of the Commonwealth, including waterways bordering on  
4 the Commonwealth, and shall certify to the State Treasurer to  
5 refund annually to the Boating Fund of the Fish Commission the  
6 amount so determined. The Department of [Highways]  
7 Transportation shall be accorded the right to appear at such  
8 proceedings and make its views known.

9 (3) Said moneys shall be used by the Pennsylvania Fish  
10 Commission acting by itself or by agreement with other State and  
11 Federal agencies including, but not limited to, the Navigation  
12 Commission for the Delaware River, the Department of [Forests  
13 and Waters] Environmental Resources, the Department of Health,  
14 and the Federal Bureau of Outdoor Recreation, only for the  
15 improvement of the waters of Pennsylvania on which motorboats  
16 are permitted to operate and may be used, including but not  
17 limited to the development and construction of motorboat areas;  
18 the dredging and clearing of water areas where motorboats can be  
19 used; the placement and replacement of navigational aids; the  
20 purchase, development and maintenance of public access sites and  
21 facilities to and on waters where motorboating is permitted; the  
22 patrolling of motorboating waters; the publishing of nautical  
23 charts in those areas of Pennsylvania not covered by nautical  
24 charts published by the United States Coast and Geodetic Survey  
25 or the United States Army Engineers; and the administrative  
26 expenses arising out of such activities.

27 (d) (1) When the tax imposed by this act shall have been  
28 paid and the fuel on which such tax has been imposed shall have  
29 been consumed in the operation of snowmobiles within the  
30 Commonwealth, the full amount of such tax shall be refunded to

1 the Department of Environmental Resources on petition to the  
2 Board of Finance and Revenue in accordance with prescribed  
3 procedures.

4 (2) In accordance with such procedures, the Department of  
5 Environmental Resources shall biannually calculate the amount of  
6 liquid fuels tax consumed by said snowmobiles and furnish such  
7 information relating to its calculations and data as may be  
8 prescribed or required by the Board of Finance and Revenue. This  
9 board shall review the petition and fuel consumption  
10 calculations of the Department of Environmental Resources and  
11 then determine the amount of liquid fuels tax paid on liquid  
12 fuels consumed in the propulsion of snowmobiles in the  
13 Commonwealth, and shall certify to the State Treasurer to refund  
14 annually to the Department of Environmental Resources the amount  
15 so determined. The Department of Transportation shall be  
16 accorded the right to appear at such proceedings and make its  
17 views known.

18 (3) Said moneys shall be used solely for the benefit of  
19 snowmobiles by the Department of Environmental Resources as  
20 provided in 75 Pa.C.S. § 7706 (relating to restricted receipts  
21 fund).

22 (e) (1) Any person who shall use or buy any liquid fuel on  
23 which a tax imposed by this act in excess of one and one-half  
24 cents a gallon shall have been paid and shall use such liquid  
25 fuel in propeller-driven aircraft or aircraft engines, or who  
26 shall use or buy any liquid fuel on which a tax imposed by this  
27 act in excess of one and one-half cents per gallon shall have  
28 been paid and shall use such liquid fuel in jet or turbo-jet  
29 propelled aircraft or aircraft engines, shall be reimbursed in  
30 the amount of such excess.

1        (2) All such claims for reimbursement shall be made upon a  
2 form to be furnished by the Board of Finance and Revenue and  
3 shall include, in addition to such other information as the  
4 board may by regulation prescribe, the name and address of the  
5 claimant, the period of time and the number of gallons of liquid  
6 fuels used for which reimbursement is claimed, a description of  
7 the farm machinery, aircraft or aircraft engine in which such  
8 liquid fuels have been used and the purposes for which such  
9 machinery, aircraft or aircraft engine has been used, the size  
10 of the farm and part thereof in cultivation on which such liquid  
11 fuels have been used. Each such claim shall contain statements  
12 that the liquid fuels for which reimbursement is claimed have  
13 been used only for purposes for which reimbursements are  
14 permitted, that records of the amounts of such fuels used in  
15 each piece of farm machinery, aircraft or aircraft engine have  
16 been kept, and that no part of such claim has been paid except  
17 as stated. Each such claim shall contain a declaration that it  
18 and accompanying receipts are true and correct to the best of  
19 claimant's knowledge and shall be signed by the claimant or the  
20 person claiming on his behalf. Every claim shall be accompanied  
21 by receipts indicating that the liquid fuels or excess liquid  
22 fuels tax was paid on the liquid fuels for which reimbursement  
23 is claimed. All records of purchases of liquid fuels and use in  
24 each tractor or powered machinery, aircraft or aircraft engine  
25 shall be kept for a period of two years. Every such claim shall  
26 be made annually for the preceding year ending on the thirtieth  
27 day of June and shall be submitted to the Board of Finance and  
28 Revenue not later than the thirtieth day of September of each  
29 year and the board shall refuse to consider any claim received  
30 or postmarked later than such date. The claimant shall satisfy

1 the board that he has paid the tax and that the liquid fuels  
2 have been consumed by him for purposes for which reimbursements  
3 are permitted under this section. The board may require any  
4 claimant to furnish such further information, proof, or fuller  
5 explanation as it shall deem necessary. The action of the Board  
6 of Finance and Revenue in granting or refusing reimbursement  
7 shall be final. The board shall deduct the sum of one dollar and  
8 fifty cents (\$1.50), which shall be considered as a filing fee,  
9 from every claim for reimbursement granted. Such filing fees are  
10 hereby specifically appropriated to the Board of Finance and  
11 Revenue and to the Department of Revenue for expenses of any  
12 nature whatsoever incurred in the administration of the  
13 reimbursement provisions of this act. The Board of Finance and  
14 Revenue shall have the power to refer to the Department of  
15 Revenue, for investigation, any claim for reimbursement filed  
16 under the provisions of this act and it shall be the duty of the  
17 Department of Revenue to investigate such application and report  
18 to the Board of Finance and Revenue relative thereto. Any person  
19 making any false or fraudulent statement for the purpose of  
20 obtaining reimbursement shall be guilty of a misdemeanor, and,  
21 upon conviction thereof, shall be sentenced to pay a fine of not  
22 more than one thousand dollars (\$1000) or to undergo  
23 imprisonment for not more than six (6) months, or both.

24 (f) All refunds and reimbursements of moneys allowed  
25 hereunder shall be paid from the Motor License Fund and the  
26 Liquid Fuels Tax Fund in amounts equal to the original  
27 distribution and payment of such moneys into said funds:  
28 Provided, That reimbursement for taxes paid on liquid fuels  
29 consumed in the operation of tractors and powered machinery for  
30 purposes relating to the actual production of farm products and

1 reimbursement for taxes paid on liquid fuels used in aircraft or  
2 aircraft engines shall be paid out of the Motor License Fund.

3     (g) As much of the moneys, from time to time, in the Motor  
4 License Fund and the Liquid Fuels Tax Fund, as may be necessary,  
5 is hereby appropriated to the Board of Finance and Revenue for  
6 the purpose of making refunds and reimbursements as herein  
7 authorized. Estimates of the amounts to be expended from these  
8 funds for refunds and reimbursements, from time to time, by the  
9 board shall be submitted to the Governor for his approval or  
10 disapproval as in the case of other appropriations to  
11 administrative departments, boards and commissions; and it shall  
12 be unlawful for the Auditor General to honor any requisition of  
13 the Board of Finance and Revenue for the expenditure of moneys  
14 hereunder in excess of the estimates approved by the Governor.

15     (h) The provisions of this section relating to reimbursement  
16 of taxes paid on liquid fuels consumed in the operation of  
17 tractors and powered machines for purposes relating to the  
18 actual production of farm products shall apply only to liquid  
19 fuels purchased on and after the first day of July, one thousand  
20 nine hundred fifty-five.

21     (i) The Pennsylvania Aeronautics Commission is authorized to  
22 make allocations of taxes collected under this act to airports  
23 in proportion to the average of their allocations received from  
24 the Pennsylvania Aeronautics Commission during the period for  
25 which they have received such allocations not to exceed five  
26 years or, in the case of airports having no such allocation  
27 experience, in equal proportion with other airports based upon  
28 comparative collections under this tax. In no case shall the  
29 amount apportioned to the airport be less than the highest  
30 amount apportioned in any one of the previous five years.

1       Section 2.   This act shall take effect immediately.