

## **BILL ANALYSIS**

Senate Research Center  
76R10885 SMJ-F

H.B. 3159  
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Finance  
5/11/1999  
Engrossed

### **DIGEST**

Currently, buses providing public transportation are partially exempt from the federal diesel fuel tax and only school buses can file for state diesel fuel tax refunds. Airlines and railroads are subsidized by federal funds and are completely exempt from state diesel fuel tax. Bus operators are currently facing increased costs, due to retrofitting required by the Americans with Disabilities Act. H.B. 3159 amends the application of the diesel fuel tax to diesel fuel used in certain passenger commercial motor vehicles.

### **PURPOSE**

As proposed, H.B. 3159 amends the application of the diesel fuel tax to diesel fuel used in certain passenger commercial motor vehicles.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 153.203, Tax Code, to provide that the tax imposed by this section does not apply to diesel fuel sold by a permitted supplier to a person, other than a political subdivision, who owns, controls, operates, or manages a commercial motor vehicle as defined by Section 548.001, Transportation Code, if certain action is taken.

SECTION 2. Amends Section 153.222(a), Tax Code, to authorize a person who has paid tax on diesel fuel used in a commercial vehicle as provided by Section 153.203(10) to file a claim for a refund of taxes paid, less the deduction allowed vendors and a filing fee.

SECTION 3. Effective date: September 1, 1999.  
Makes application of this Act prospective.

SECTION 4. Emergency clause.