

By: Williams

S.B. No. 757

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a credit or refund for diesel fuel taxes paid on diesel
3 fuel used in this state by auxiliary power units or power take-off
4 equipment.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 162.227, Tax Code, is amended by adding
7 Subsection (d-1) to read as follows:

8 (d-1) A license holder may take a credit on a return for the
9 period in which the purchase occurred, and a person who does not
10 hold a license may file a refund claim with the comptroller, if the
11 license holder or person paid tax on diesel fuel and the diesel fuel
12 is used in this state by auxiliary power units or power take-off
13 equipment on any motor vehicle. If the quantity of that diesel
14 fuel can be accurately measured while the motor vehicle is
15 stationary by any metering or other measuring device or method
16 designed to measure the fuel separately from fuel used to propel the
17 motor vehicle, the comptroller may approve and adopt the use of the
18 device as a basis for determining the quantity of diesel fuel
19 consumed in those operations for a tax credit or tax refund. If
20 there is no separate metering device or other approved measuring
21 method, the license holder may take the credit and the person who
22 does not hold a license may claim the refund on a percentage of the
23 diesel fuel consumed by each motor vehicle equipped with an
24 auxiliary power unit or power take-off equipment. The comptroller

1 shall determine the percentage of the credit or refund. The
2 climate-control air conditioning or heating system of a motor
3 vehicle that has a primary purpose of providing for the convenience
4 or comfort of the operator or passengers is not a power take-off
5 system, and a credit or refund may not be allowed for the tax paid on
6 any portion of the diesel fuel that is used for that purpose. A
7 credit or refund may not be allowed for the diesel fuel tax paid on
8 that portion of the diesel fuel that is used for idling.

9 SECTION 2. This Act takes effect September 1, 2009.