

By: Parker

H.B. No. 1332

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the exemption of certain entities that operate
3 ambulances from certain motor fuel taxes.

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

5 SECTION 1. Section 162.104(a), Tax Code, is amended to read
6 as follows:

7 (a) The tax imposed by this subchapter does not apply to
8 gasoline:

9 (1) sold to the United States for its exclusive use,
10 provided that the exemption does not apply with respect to fuel sold
11 or delivered to a person operating under a contract with the United
12 States;

13 (2) sold to a public school district in this state for
14 the district's exclusive use;

15 (3) sold to a commercial transportation company or a
16 metropolitan rapid transit authority operating under Chapter 451,
17 Transportation Code, that provides public school transportation
18 services to a school district under Section 34.008, Education Code,
19 and that uses the gasoline only to provide those services;

20 (4) exported by either a licensed supplier or a
21 licensed exporter from this state to any other state, provided
22 that:

23 (A) for gasoline in a situation described by
24 Subsection (d), the bill of lading indicates the destination state

1 and the supplier collects the destination state tax; or

2 (B) for gasoline in a situation described by
3 Subsection (e), the bill of lading indicates the destination state,
4 the gasoline is subsequently exported, and the exporter is licensed
5 in the destination state to pay that state's tax and has an
6 exporter's license issued under this subchapter;

7 (5) moved by truck or railcar between licensed
8 suppliers or licensed permissive suppliers and in which the
9 gasoline removed from the first terminal comes to rest in the second
10 terminal, provided that the removal from the second terminal rack
11 is subject to the tax imposed by this subchapter;

12 (6) delivered or sold into a storage facility of a
13 licensed aviation fuel dealer from which gasoline will be delivered
14 solely into the fuel supply tanks of aircraft or aircraft servicing
15 equipment, or sold from one licensed aviation fuel dealer to
16 another licensed aviation fuel dealer who will deliver the aviation
17 fuel exclusively into the fuel supply tanks of aircraft or aircraft
18 servicing equipment;

19 (7) exported to a foreign country if the bill of lading
20 indicates the foreign destination and the fuel is actually exported
21 to the foreign country;

22 (8) sold to a volunteer fire department in this state
23 for the department's exclusive use; ~~or~~

24 (9) sold to a nonprofit entity that is organized for
25 the sole purpose of and engages exclusively in providing emergency
26 medical services and that uses the gasoline exclusively to provide
27 emergency medical services, including rescue and ambulance

1 services; or

2 (10) sold to an entity that:

3 (A) uses the gasoline exclusively for an
4 ambulance operated by a person licensed under Chapter 773, Health
5 and Safety Code; and

6 (B) has an agreement with a local governmental
7 entity to provide emergency ambulance services.

8 SECTION 2. Section 162.125(a), Tax Code, is amended to read
9 as follows:

10 (a) A license holder may take a credit on a return for the
11 period in which the sale occurred if the license holder paid tax on
12 the purchase of gasoline and subsequently resells the gasoline
13 without collecting the tax to:

14 (1) the United States government for its exclusive
15 use, provided that a credit is not allowed for gasoline used by a
16 person operating under contract with the United States;

17 (2) a public school district in this state for the
18 district's exclusive use;

19 (3) an exporter licensed under this subchapter if the
20 seller is a licensed supplier or distributor and the exporter
21 subsequently exports the gasoline to another state;

22 (4) a licensed aviation fuel dealer if the seller is a
23 licensed distributor; ~~or~~

24 (5) a commercial transportation company or a
25 metropolitan rapid transit authority operating under Chapter 451,
26 Transportation Code, that provides public school transportation
27 services to a school district under Section 34.008, Education Code,

1 and that uses the gasoline exclusively to provide those services;
2 or

3 (6) an entity that:

4 (A) uses the gasoline exclusively for an
5 ambulance operated by a person licensed under Chapter 773, Health
6 and Safety Code; and

7 (B) has an agreement with a local governmental
8 entity to provide emergency ambulance services.

9 SECTION 3. Subchapter B, Chapter 162, Tax Code, is amended
10 by adding Section 162.1276 to read as follows:

11 Sec. 162.1276. REFUND FOR CERTAIN AMBULANCE OPERATORS. (a)
12 An entity is entitled to a refund of taxes paid under this
13 subchapter for gasoline used to operate an ambulance and may file a
14 refund claim with the comptroller for the amount of those taxes if
15 the entity:

16 (1) uses the gasoline exclusively for an ambulance
17 operated by a person licensed under Chapter 773, Health and Safety
18 Code; and

19 (2) has an agreement with a local governmental entity
20 to provide emergency ambulance services.

21 (b) The refund claim under Subsection (a) must contain
22 information regarding:

23 (1) vehicle mileage;

24 (2) hours of service provided; and

25 (3) fuel consumed.

26 (c) An entity that requests a refund under this section
27 shall maintain all supporting documentation relating to the refund

1 until the sixth anniversary of the date of the request.

2 SECTION 4. Section 162.204(a), Tax Code, is amended to read
3 as follows:

4 (a) The tax imposed by this subchapter does not apply to:

5 (1) diesel fuel sold to the United States for its
6 exclusive use, provided that the exemption does not apply to diesel
7 fuel sold or delivered to a person operating under a contract with
8 the United States;

9 (2) diesel fuel sold to a public school district in
10 this state for the district's exclusive use;

11 (3) diesel fuel sold to a commercial transportation
12 company or a metropolitan rapid transit authority operating under
13 Chapter 451, Transportation Code, that provides public school
14 transportation services to a school district under Section 34.008,
15 Education Code, and that uses the diesel fuel only to provide those
16 services;

17 (4) diesel fuel exported by either a licensed supplier
18 or a licensed exporter from this state to any other state, provided
19 that:

20 (A) for diesel fuel in a situation described by
21 Subsection (d), the bill of lading indicates the destination state
22 and the supplier collects the destination state tax; or

23 (B) for diesel fuel in a situation described by
24 Subsection (e), the bill of lading indicates the destination state,
25 the diesel fuel is subsequently exported, and the exporter is
26 licensed in the destination state to pay that state's tax and has an
27 exporter's license issued under this subchapter;

1 (5) diesel fuel moved by truck or railcar between
2 licensed suppliers or licensed permissive suppliers and in which
3 the diesel fuel removed from the first terminal comes to rest in the
4 second terminal, provided that the removal from the second terminal
5 rack is subject to the tax imposed by this subchapter;

6 (6) diesel fuel delivered or sold into a storage
7 facility of a licensed aviation fuel dealer from which the diesel
8 fuel will be delivered solely into the fuel supply tanks of aircraft
9 or aircraft servicing equipment, or sold from one licensed aviation
10 fuel dealer to another licensed aviation fuel dealer who will
11 deliver the diesel fuel exclusively into the fuel supply tanks of
12 aircraft or aircraft servicing equipment;

13 (7) diesel fuel exported to a foreign country if the
14 bill of lading indicates the foreign destination and the fuel is
15 actually exported to the foreign country;

16 (8) dyed diesel fuel sold or delivered by a supplier to
17 another supplier and dyed diesel fuel sold or delivered by a
18 supplier or distributor into the bulk storage facility of a dyed
19 diesel fuel bonded user or to a purchaser who provides a signed
20 statement as provided by Section [162.206](#);

21 (9) the volume of water, fuel ethanol, renewable
22 diesel, biodiesel, or mixtures thereof that are blended together
23 with taxable diesel fuel when the finished product sold or used is
24 clearly identified on the retail pump, storage tank, and sales
25 invoice as a combination of diesel fuel and water, fuel ethanol,
26 renewable diesel, biodiesel, or mixtures thereof;

27 (10) dyed diesel fuel sold by a supplier or permissive

1 supplier to a distributor, or by a distributor to another
2 distributor;

3 (11) dyed diesel fuel delivered by a license holder
4 into the fuel supply tanks of railway engines, motorboats, or
5 refrigeration units or other stationary equipment powered by a
6 separate motor from a separate fuel supply tank;

7 (12) dyed kerosene when delivered by a supplier,
8 distributor, or importer into a storage facility at a retail
9 business from which all deliveries are exclusively for heating,
10 cooking, lighting, or similar nonhighway use;

11 (13) diesel fuel used by a person, other than a
12 political subdivision, who owns, controls, operates, or manages a
13 commercial motor vehicle as defined by Section 548.001,
14 Transportation Code, if the fuel:

15 (A) is delivered exclusively into the fuel supply
16 tank of the commercial motor vehicle; and

17 (B) is used exclusively to transport passengers
18 for compensation or hire between points in this state on a fixed
19 route or schedule;

20 (14) diesel fuel sold to a volunteer fire department
21 in this state for the department's exclusive use; ~~[or]~~

22 (15) diesel fuel sold to a nonprofit entity that is
23 organized for the sole purpose of and engages exclusively in
24 providing emergency medical services and that uses the diesel fuel
25 exclusively to provide emergency medical services, including
26 rescue and ambulance services; or

27 (16) diesel fuel sold to an entity that:

1 (A) uses the diesel fuel exclusively for an
2 ambulance operated by a person licensed under Chapter 773, Health
3 and Safety Code; and

4 (B) has an agreement with a local governmental
5 entity to provide emergency ambulance services.

6 SECTION 5. Section 162.227(a), Tax Code, is amended to read
7 as follows:

8 (a) A license holder may take a credit on a return for the
9 period in which the sale occurred if the license holder paid tax on
10 the purchase of diesel fuel and subsequently resells the diesel
11 fuel without collecting the tax to:

12 (1) the United States government for its exclusive
13 use, provided that a credit is not allowed for gasoline used by a
14 person operating under a contract with the United States;

15 (2) a public school district in this state for the
16 district's exclusive use;

17 (3) an exporter licensed under this subchapter if the
18 seller is a licensed supplier or distributor and the exporter
19 subsequently exports the diesel fuel to another state;

20 (4) a licensed aviation fuel dealer if the seller is a
21 licensed distributor; ~~or~~

22 (5) a commercial transportation company or a
23 metropolitan rapid transit authority operating under Chapter 451,
24 Transportation Code, that provides public school transportation
25 services to a school district under Section 34.008, Education Code,
26 and that uses the diesel fuel exclusively to provide those
27 services; or

1 (6) an entity that:

2 (A) uses the diesel fuel exclusively for an
3 ambulance operated by a person licensed under Chapter 773, Health
4 and Safety Code; and

5 (B) has an agreement with a local governmental
6 entity to provide emergency ambulance services.

7 SECTION 6. Subchapter C, Chapter 162, Tax Code, is amended
8 by adding Section 162.2276 to read as follows:

9 Sec. 162.2276. REFUND FOR CERTAIN AMBULANCE OPERATORS. (a)
10 An entity is entitled to a refund of taxes paid under this
11 subchapter for diesel fuel used to operate an ambulance and may file
12 a refund claim with the comptroller for the amount of those taxes if
13 the entity:

14 (1) uses the diesel fuel exclusively for an ambulance
15 operated by a person licensed under Chapter 773, Health and Safety
16 Code; and

17 (2) has an agreement with a local governmental entity
18 to provide emergency ambulance services.

19 (b) The refund claim under Subsection (a) must contain
20 information regarding:

21 (1) vehicle mileage;

22 (2) hours of service provided; and

23 (3) fuel consumed.

24 (c) An entity that requests a refund under this section
25 shall maintain all supporting documentation relating to the refund
26 until the sixth anniversary of the date of the request.

27 SECTION 7. The change in law made by this Act does not

1 affect tax liability accruing before the effective date of this
2 Act. That liability continues in effect as if this Act had not been
3 enacted, and the former law is continued in effect for the
4 collection of taxes due and for civil and criminal enforcement of
5 the liability for those taxes.

6 SECTION 8. This Act takes effect September 1, 2017.