
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1057 Session of
2015

INTRODUCED BY ELLIS, MUSTIO, HARPER, EVERETT, A. HARRIS,
SCHLOSSBERG, CUTLER, HELM, CARROLL, HANNA, GAINNEY, KORTZ,
COHEN, SONNEY AND SAYLOR, APRIL 27, 2015

REFERRED TO COMMITTEE ON TRANSPORTATION, APRIL 27, 2015

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, in motor carriers road tax identification markers,
3 further providing for definitions, for identification markers
4 and license or road tax registration card required, for false
5 statements and penalties, for special investigators and
6 powers and for exemptions, providing for uncollectible
7 payments and for emergency proclamations; in liquid fuels and
8 fuels tax, further providing for definitions, for liquid
9 fuels and fuels permits and bond or deposit of securities,
10 for imposition of tax, exemptions and deductions, for
11 taxpayer, for distributor's report and payment of tax, for
12 determination and redetermination of tax, penalties and
13 interest due, for examination of records and equipment, for
14 retention of records by distributors and dealers, for
15 discontinuance or transfer of business, for suspension or
16 revocation of permits, for lien of taxes, penalties and
17 interest, for reports from common carriers, for reward for
18 detection of violations, for refunds, for violations, for
19 diesel fuel importers and transporters, prohibiting use of
20 dyed diesel fuel on highways, violations and penalties and
21 for uncollectible checks, providing for emergency assistance
22 in a timely manner and for electric vehicle road fee; in
23 liquid fuels and fuel use tax enforcement, further providing
24 for construction of chapter, for revenue agents and powers
25 and for forfeitures, process and procedures; in taxes for
26 highway maintenance and construction, further providing for
27 imposition of tax; in motor carriers road tax, further
28 providing for definitions, for credit for motor fuel tax
29 payment and for records, providing for recordkeeping, further
30 providing for surety bond for payment of taxes, for penalty
31 and interest for failure to report or pay tax, for manner of
32 payment and recovery of taxes, penalties and interest, for
33 determination, redetermination and review and for timely

1 mailing treated as timely filing and payment, providing for
2 method of filing and timeliness, further providing for
3 reciprocal agreements and providing for uncollectible
4 payments and for emergency assistance in a timely manner; and
5 making editorial changes.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Section 2101.1 of Title 75 of the Pennsylvania
9 Consolidated Statutes is amended by adding definitions to read:

10 § 2101.1. Definitions.

11 The following words and phrases when used in this chapter and
12 in Chapter 96 (relating to motor carriers road tax) shall have
13 the meanings given to them in this section unless the context
14 clearly indicates otherwise:

15 "Department." The Department of Revenue of the Commonwealth.

16 * * *

17 "IFTA vehicle." A vehicle subject to the International Fuel
18 Tax Agreement, notwithstanding an exemption for the vehicle
19 provided by the law of an IFTA jurisdiction, including this
20 Commonwealth.

21 * * *

22 Section 2. Sections 2102(a)(6), (c)(2) and (d) and 2103(a)
23 and (a.1) of Title 75 are amended and the sections are amended
24 by adding subsections to read:

25 § 2102. Identification markers and license or road tax
26 registration card required.

27 (a) General rule.--The Secretary of Revenue shall provide
28 identification markers as follows:

29 * * *

30 (6) The [Department of Revenue] department, for cause,
31 may deny, suspend or revoke any license, road tax
32 registration card or identification markers issued under this

1 section after an opportunity for a hearing has been afforded
2 the carrier, provided, however, that a license, a road tax
3 registration card or identification markers may be denied or
4 may be suspended or revoked for failure to file a return as
5 required or for nonpayment of moneys due and not under appeal
6 under this chapter or Chapter 96, including related motor
7 fuel taxes prior to a hearing.

8 (a.1) IFTA decals, changes in disposition, tax liability and
9 recordkeeping.--

10 (1) An IFTA licensee is responsible for notifying the
11 department in writing of a change to the licensee's IFTA
12 account, including, but not limited to, an account
13 cancellation, address change and change to the use of issued
14 decals. The following apply:

15 (i) When a vehicle to which IFTA decals have been
16 affixed is sold, traded or otherwise disposed of by the
17 operator or passes from control of the operator through
18 lease or otherwise, the motor carrier must notify the
19 department within 30 days after the vehicle leaves the
20 licensee's service. Proper notification must include the
21 taxpayer's or carrier's account number, tractor
22 registration plate number, the date of disposition change
23 and the name and address of the person in possession of
24 the vehicle. This notification must be mailed, faxed or
25 e-mailed to the department.

26 (ii) Canceled decals, if recoverable, must remain in
27 the licensee's files for at least four years for auditing
28 purposes.

29 (2) A licensee to whom an identification card and decals
30 were issued shall be liable for taxes applicable to the

1 operations of the vehicles licensed until the date the
2 department receives proper notification of disposition or
3 loss of control of the vehicles licensed. The licensee's
4 liability for such vehicles will terminate upon the date of
5 disposition or loss of control if the carrier provides the
6 department notification of vehicle disposition or loss of
7 control of the licensed vehicles within 30 days of
8 disposition or loss of control.

9 (3) For carriers using independent contractors under
10 long-term leases that are 30 days or longer, the lessor and
11 lessee may designate which party will report and pay the
12 motor carriers road tax. In the absence of a written
13 agreement or contract or if the document is silent regarding
14 responsibility for reporting and paying the motor carriers
15 road tax, the lessee will be responsible for reporting and
16 paying the motor carriers road tax.

17 (4) Decals cannot be transferred from one vehicle to
18 another or from one company to another.

19 (5) Unless otherwise provided for by statute, once a
20 decal or licensed vehicle passes control from one person to
21 another person, the decal and license are void immediately.

22 (6) A decal purchased but unused during a registration
23 year must be kept in the licensee's files for four years for
24 auditing purposes.

25 (7) If the carrier fails to notify the department of
26 changes in disposition of decals, the carrier may provide the
27 department with:

28 (i) evidence of the carrier's written policy
29 requiring canceled decals to be returned; and

30 (ii) physical evidence that the decals were removed.

1 (8) The department may consider additional evidence in
2 lieu of timely notification as required in this section.

3 (9) Any vehicle bearing an IFTA decal is considered an
4 IFTA vehicle.

5 (a.2) Application.--The application must set forth the names
6 and addresses of the principal officers or owners of the entity
7 and other information prescribed by the department for purposes
8 of identification. The application must be signed and verified
9 by oath or affirmation by:

10 (1) the owner, if the applicant is an individual;

11 (2) a member or partner, if the applicant is an
12 association; or

13 (3) an officer or an individual authorized in writing
14 attached to the application, if the applicant is a
15 corporation.

16 * * *

17 (c) Issuance of markers and licenses or road tax
18 registration cards.--

19 * * *

20 (2) The [Department of Revenue] department shall have
21 the power and may designate the Department of Transportation
22 to act as an agent for the [Department of Revenue] department
23 for the purpose of collecting the fee under subsection (b),
24 processing the necessary papers and issuing a temporary
25 permit to authorize the operation of a qualified motor
26 vehicle pending issuance of permanent identification markers
27 by the department.

28 (d) Operation without identification markers unlawful.--
29 Except as provided in paragraphs (2) and (3), it shall be
30 unlawful to operate or to cause to be operated in this

1 Commonwealth any qualified motor vehicle unless the vehicle
2 bears the identification markers required by this section or
3 valid and unrevoked IFTA identification markers issued by
4 another IFTA jurisdiction.

5 (1) The Secretary of Revenue may by regulation exempt
6 from the requirement to display the identification markers
7 those qualified motor vehicles which in his opinion are
8 clearly identifiable such that effective enforcement of this
9 chapter will not suffer thereby.

10 (2) For a period not exceeding 30 days as to any one
11 motor carrier, the Secretary of Revenue by letter or telegram
12 may authorize the operation of a qualified motor vehicle or
13 vehicles without the identification markers required when
14 both the following are applicable:

15 (i) enforcement of this section for that period
16 would cause undue delay and hardship in the operation of
17 such qualified motor vehicle; and

18 (ii) the motor carrier is registered and/or licensed
19 for the motor carriers road tax with the [Department of
20 Revenue] department or has filed an application therefor
21 with the [Department of Revenue] department:

22 (A) The fee for such temporary permits shall be
23 \$7 for each qualified motor vehicle which shall be
24 deposited in the Highway Bridge Improvement
25 Restricted Account within the Motor License Fund.

26 (B) Conditions for the issuance of such permits
27 shall be set forth in regulations promulgated by the
28 [Department of Revenue] department.

29 (C) A temporary permit issued by another IFTA
30 jurisdiction under authority similar to this

1 paragraph shall be accorded the same effect as a
2 temporary permit issued under this paragraph.

3 (3) A motor carrier may, in lieu of paying the tax
4 imposed and filing the tax report required by Chapter 96 and
5 in lieu of complying with any other provisions of this
6 section that would otherwise be applicable as a result of the
7 operation of a particular qualified motor vehicle, obtain
8 from the [Department of Revenue] department a trip permit
9 authorizing the carrier to operate the qualified motor
10 vehicle for a period of five consecutive days. The
11 [Department of Revenue] department shall specify the
12 beginning and ending days on the face of the permit. The fee
13 for a trip permit for each qualified motor vehicle is \$73
14 which shall be deposited in the Highway Bridge Improvement
15 Restricted Account within the Motor License Fund. The report
16 otherwise required under Chapter 96 is not required with
17 respect to a vehicle for which a trip permit has been issued
18 under this subsection.

19 * * *

20 § 2103. False statements and penalties.

21 (a) False statements.--Any person who willfully and
22 knowingly makes, publishes, delivers or utters a false statement
23 orally, or in writing, or in the form of a receipt for the sale
24 of motor fuel and alternative fuel, for the purpose of obtaining
25 or attempting to obtain, or to assist any person to obtain or
26 attempt to obtain, a credit or refund or reduction of liability
27 for taxes under this chapter or Chapter 96 (relating to motor
28 carriers road tax) shall be guilty of a summary offense and,
29 upon conviction thereof, for a first offense shall be sentenced
30 to pay a fine of not less than \$100 nor more than [\$500] \$1,000;

1 and for each subsequent or additional offense, a fine of not
2 less than \$200 nor more than [~~\$500~~] \$2,000, or undergo
3 imprisonment for a term not exceeding 90 days, or both.

4 (a.1) Operation without identification marker.--
5 Notwithstanding the provisions of subsection (b), any person who
6 violates section 2102(d) (relating to identification markers
7 required) and who can adequately establish an absence of knowing
8 and willful intent shall be guilty of a summary offense and
9 shall be sentenced to pay a fine of [~~\$25~~] \$40.

10 (a.2) Accountability for decals.--Notwithstanding the
11 provisions of subsection (b), a person who, upon inspection,
12 examination or audit by the department, cannot account for the
13 IFTA decals issued to the person commits a summary offense and
14 shall be sentenced to pay a fine of not less than \$500 nor more
15 than \$1,000 per each unaccounted decal.

16 * * *

17 Section 3. Sections 2104 and 2105 of Title 75 are amended to
18 read:

19 § 2104. Special investigators; powers.

20 Such employees of the [Department of Revenue] department as
21 are designated as special investigators, and who carry
22 identification indicating such capacity, are hereby declared to
23 be peace officers of the Commonwealth, are hereby given police
24 power and authority throughout the Commonwealth to arrest on
25 view without warrant any driver of a qualified motor vehicle
26 engaged in any operations in violation of any provision of this
27 chapter or Chapter 96 (relating to motor carriers road tax) and
28 shall have the power and authority upon probable cause that any
29 such violation may have occurred to search and seize without
30 warrant or process any qualified motor vehicle so operated.

1 § 2105. Exemptions.

2 [(a) General rule.--The requirements of this chapter and
3 Chapter 96 (relating to motor carriers road tax) do not apply to
4 the following vehicles:

5 (1) A qualified motor vehicle bearing a Pennsylvania
6 farm vehicle registration plate and operated in accordance
7 with the restrictions of section 1344 (relating to use of
8 farm vehicle plates) or a qualified motor vehicle registered
9 and operated under provisions of another jurisdiction
10 determined by the Department of Revenue to be similar to
11 those restrictions.

12 (2) A qualified motor vehicle exempt from registration
13 as a farm vehicle and operated in accordance with the
14 restrictions of section 1302(10) (relating to vehicles exempt
15 from registration) or a qualified motor vehicle operated
16 under provisions of another jurisdiction determined by the
17 Department of Revenue to be similar to those restrictions.

18 (3) An emergency vehicle as defined by section 102
19 (relating to definitions).

20 (4) A qualified motor vehicle operated by or on behalf
21 of any department, board or commission of the Commonwealth,
22 or any political subdivision thereof, or any quasi-
23 governmental authority of which this Commonwealth is a
24 participating member, or any agency of the Federal Government
25 or the District of Columbia, any foreign country, or of any
26 state or any political subdivision thereof which grants
27 similar exemptions to publicly owned vehicles registered in
28 this Commonwealth.

29 (5) A school bus.

30 (5.1) A motorbus owned by and registered to a church.

1 (6) An implement of husbandry as defined by section 102.

2 (7) Special mobile equipment as defined by section 102.

3 (8) An unladen or towed motor vehicle or unladen trailer
4 which enters this Commonwealth solely for the purpose of
5 securing repairs or reconditioning. The repair facility shall
6 furnish to the motor carrier a certificate to be carried by
7 the qualified motor vehicle operator while the vehicle is in
8 this Commonwealth for the purposes of this paragraph.

9 (9) A qualified motor vehicle needing emergency repairs
10 which secures authorization from the Pennsylvania State
11 Police to enter this Commonwealth under this section.

12 (10) A commercial implement of husbandry.]

13 (a) Exempt entities.--A motor carrier that is exempt from
14 motor fuels and alternative fuels taxes under section 9004(e)
15 (relating to imposition of tax, exemptions and deductions) shall
16 be exempt from the motor carriers road tax. The motor carrier is
17 not required to do any of the following:

18 (1) Display any road tax identification markers.

19 (2) Carry a cab card.

20 (b) Exempt vehicle uses.--The following qualified motor
21 vehicles are exempt from the motor carriers road tax and are not
22 required to report or display road tax identification markers:

23 (1) A qualified motor vehicle bearing a Pennsylvania
24 farm vehicle registration plate and operated in accordance
25 with the restrictions under section 1344 (relating to use of
26 farm vehicle plates) or a qualified motor vehicle registered
27 and operated under provisions of another jurisdiction
28 determined by the department to be similar to the
29 restrictions under section 1344.

30 (2) A qualified motor vehicle exempt from registration

1 as a farm vehicle and operated in accordance with the
2 restrictions under section 1302(10) (relating to vehicles
3 exempt from registration) or a qualified motor vehicle
4 operated under provisions of another jurisdiction determined
5 by the department to be similar to the restrictions under
6 section 1302(10).

7 (3) A Pennsylvania licensed qualified motor vehicle
8 meeting the definition of "emergency vehicle" under section
9 102 (relating to definitions) or a qualified motor vehicle
10 operated under provisions of another jurisdiction determined
11 by the department to be similar in function to an "emergency
12 vehicle" as defined under section 102.

13 (4) A qualified motor vehicle operated by or on behalf
14 of any agency, board or commission of this Commonwealth, or
15 any political subdivision thereof, or any quasi-governmental
16 authority of which the Commonwealth is a participating
17 member, or any agency of the Federal Government or the
18 District of Columbia, any foreign country or of any state or
19 any political subdivision thereof which grants similar
20 exemptions to publicly owned vehicles registered in this
21 Commonwealth.

22 (5) A school bus qualifying for exemption under section
23 9004(e)(5).

24 (5.1) A motorbus owned by and registered to a church.

25 (6) An implement of husbandry.

26 (7) Special mobile equipment.

27 (8) A commercial implement of husbandry.

28 (c) Special vehicle exemptions.--The following types of
29 vehicles entering this Commonwealth are exempt from the motor
30 carriers road tax and are not required to report or display road

1 tax identification markers:

2 (1) An unladen or towed motor vehicle or unladen trailer
3 which enters this Commonwealth solely for the purpose of
4 securing repairs or reconditioning. The repair facility shall
5 furnish to the motor carrier a certificate to be carried by
6 the qualified motor vehicle operator while the vehicle is in
7 this Commonwealth.

8 (2) A qualified motor vehicle needing emergency repairs
9 which secures authorization from the Pennsylvania State
10 Police to enter this Commonwealth.

11 (d) Recordkeeping requirements.--All qualified motor
12 vehicles, regardless whether or not the entity or vehicle is
13 exempt under this section from the motor carriers road tax, must
14 maintain proper records of travel routes, fuel and miles, in
15 accordance with the recordkeeping provisions of section 9610
16 (relating to records).

17 (e) Motor carriers road tax imposed.--Notwithstanding
18 subsections (a) and (b), the department may impose the motor
19 carriers road tax on any qualified motor vehicle for which
20 proper records are not available to substantiate travel routes,
21 fuel and miles, in accordance with the recordkeeping provisions
22 of section 9610.

23 (f) IFTA reporting required for interstate travel.--The
24 following shall apply:

25 (1) Notwithstanding the exemptions under subsections (a)
26 and (b), any qualified motor vehicle registered in this
27 Commonwealth that travels in any IFTA jurisdiction requiring
28 the payment of motor carriers road tax or its equivalent may
29 be licensed as an IFTA vehicle by the Commonwealth in
30 accordance with IFTA licensing provisions. Any vehicle

1 holding or displaying IFTA credentials must file IFTA reports
2 and make necessary payments to a base jurisdiction, even if
3 the vehicle is exempt from motor carriers road tax in this
4 Commonwealth.

5 (2) A vehicle obtaining trip permits under section
6 2102(d)(3) (relating to identification markers and license or
7 road tax registration card required) for each trip within
8 this Commonwealth is exempt from IFTA licensing and reporting
9 for the permitted trips.

10 [(b)] (g) Regulations.--The [Department of Revenue]
11 department may promulgate regulations to implement this section.

12 Section 4. Title 75 is amended by adding sections to read:

13 § 2106. Uncollectible payments.

14 If the payment of a tax, penalty or interest imposed by this
15 chapter is returned to the department as uncollectible, the
16 department shall follow section 3003.9 of the act of March 4,
17 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

18 § 2107. Emergency proclamations.

19 (a) Emergencies declared within this Commonwealth.--Upon the
20 Governor's declaration of a state of emergency for this
21 Commonwealth, the Secretary of Revenue may waive, suspend or
22 otherwise modify any provisions of this chapter for the purpose
23 of enabling motor carriers to respond to emergency conditions
24 and to conduct timely emergency relief efforts. The waivers,
25 suspensions or modifications shall be effective for a specific
26 period of time as determined by the Secretary of Revenue and
27 shall not exceed the termination of the state of emergency
28 declared by the Governor.

29 (b) Emergencies declared outside this Commonwealth.--The
30 Secretary of Revenue, with prior authorization from the

1 Governor, may waive, suspend or otherwise modify any provisions
2 of this chapter on a temporary and definite basis to facilitate
3 the timely movement of vehicles or fuel from and through this
4 Commonwealth to other jurisdictions requesting assistance from
5 the Commonwealth.

6 (c) Recordkeeping.--Notwithstanding subsections (a) and (b),
7 each qualified motor vehicle traveling in this Commonwealth,
8 whether or not exempt from motor carriers road tax, under the
9 terms of an emergency declaration shall maintain records
10 substantiating the purchase and use of both tax-paid and tax-
11 free fuels in this Commonwealth during the period of the
12 declared emergency.

13 (d) Taxes not waived.--Unless specifically suspended by the
14 Governor or Secretary of Revenue, motor fuels and alternative
15 fuels taxes are not waived for emergencies determined under
16 subsection (a) or (b).

17 Section 5. Chapter 90 heading of Title 75 is amended to
18 read:

19 CHAPTER 90
20 [LIQUID] MOTOR FUELS AND
21 ALTERNATIVE FUELS TAXES
22 AND ELECTRIC VEHICLE ROAD FEE

23 Section 6. Chapter 90 of Title 75 is amended by adding a
24 subchapter heading to read:

25 SUBCHAPTER A
26 PRELIMINARY PROVISIONS

27 Section 7. Section 9002 of Title 75 is amended to read:
28 § 9002. Definitions.

29 The following words and phrases when used in this chapter
30 shall have the meanings given to them in this section unless the

1 context clearly indicates otherwise:

2 "Alternative fuels." Natural gas, compressed natural gas
3 (CNG), liquified natural gas (LNG), liquid propane gas and
4 liquified petroleum gas (LPG), alcohols, E85, gasoline-alcohol
5 mixtures containing [at least] more than 85% alcohol by volume,
6 hydrogen, hythane[, electricity] and any other fuel used to
7 propel motor vehicles on the public highways which is not
8 taxable as fuels or liquid fuels under this chapter. The term
9 does not include electricity.

10 ["Alternative fuel dealer-user." Any person who delivers or
11 places alternative fuels into the fuel supply tank or other
12 device of a vehicle for use on the public highways.]

13 "Association." A partnership, limited partnership or any
14 other form of unincorporated enterprise owned by two or more
15 persons.

16 "Average annual vehicle fuel tax." The average annual amount
17 of motor fuels and alternative fuels taxes paid by a
18 Pennsylvania-registered vehicle.

19 "Average wholesale price." The average wholesale price of
20 all taxable liquid fuels and fuels, excluding the Federal excise
21 tax and all [liquid fuels] oil company franchise taxes, shall be
22 as follows:

23 (1) After December 31, 2013, and before January 1, 2015,
24 the average wholesale price shall be \$1.87 per gallon.

25 (2) After December 31, 2014, and before January 1, 2017,
26 the average wholesale price shall be \$2.49 per gallon.

27 (3) After December 31, 2016, the average wholesale price
28 shall be as determined by the Department of Revenue for the
29 12-month period ending on the September 30 immediately prior
30 to January 1 of the year for which the rate is to be set. In

1 no case shall the average wholesale price be less than \$2.99
2 per gallon.

3 "Blended fuel." A mixture composed of motor fuels or
4 alternative fuels and another liquid, other than an additive,
5 that may be used as a motor fuel or alternative fuel in a
6 highway vehicle.

7 "Blender." A person who produces blended fuel outside the
8 terminal transfer system.

9 "Blender permit." A class of distributor permit authorizing
10 the use of motor fuels and alternative fuels upon which the tax
11 has not been paid for blending.

12 "CAFE standards." The corporate average fuel economy, as
13 established by the Federal Government.

14 "Cents-per-gallon equivalent basis." The average wholesale
15 price per gallon multiplied by the decimal equivalent of any tax
16 imposed by section 9502 (relating to imposition of tax), the
17 product of which is rounded to the next highest tenth of a cent
18 per gallon. The rate of tax shall be determined by the
19 Department of Revenue on an annual basis beginning every January
20 1 and shall be published as a notice in the Pennsylvania
21 Bulletin no later than the preceding December 15. In the event
22 of a change in the rate of tax imposed by section 9502, the
23 department shall redetermine the rate of tax as of the effective
24 date of such change and give notice as soon as possible.

25 "Corporation." A corporation or joint stock association
26 organized under the laws of this Commonwealth, the United States
27 or any other state, territory or foreign country or dependency.

28 "Dealer." Any person engaged in the retail sale of [liquid
29 fuels or fuels] motor fuels and alternative fuels.

30 "Department." The Department of Revenue of the Commonwealth.

1 "Diesel fuel." Any liquid, other than liquid fuels, which is
2 suitable for use as a fuel in a diesel-powered highway vehicle.
3 The term includes kerosene and biodiesel.

4 "Distributor." Any person that:

5 (1) Produces, refines, prepares, blends, distills,
6 manufactures or compounds [liquid fuels or fuels] motor fuels
7 and alternative fuels in this Commonwealth for the person's
8 use or for sale and delivery in this Commonwealth.

9 (2) Imports or causes to be imported from any other
10 state or territory of the United States or from a foreign
11 country [liquid fuels or fuels] motor fuels or alternative
12 fuels for the person's use in this Commonwealth or for sale
13 and delivery in and after reaching this Commonwealth, other
14 than in the original package, receptacle or container.

15 (3) Imports or causes to be imported from any other
16 state or territory of the United States [liquid fuels or
17 fuels] motor fuels or alternative fuels for the person's use
18 in this Commonwealth or for sale and delivery in this
19 Commonwealth after they have come to rest or storage in the
20 other state or territory, whether or not in the original
21 package, receptacle or container.

22 (4) Purchases or receives [liquid fuels or fuels] motor
23 fuels or alternative fuels in the original package,
24 receptacle or container in this Commonwealth for the person's
25 use or for sale and delivery in this Commonwealth from any
26 person who has imported them from a foreign country.

27 (5) Purchases or receives [liquid fuels or fuels] motor
28 fuels or alternative fuels in the original package,
29 receptacle or container in this Commonwealth for the person's
30 use in this Commonwealth or for sale and delivery in this

1 Commonwealth from any person who has imported them from any
2 other state or territory of the United States if the [liquid
3 fuels or fuels] motor fuels or alternative fuels have not,
4 prior to purchase or receipt, come to rest or storage in this
5 Commonwealth.

6 (6) Receives and uses or distributes [liquid fuels or
7 fuels] motor fuels or alternative fuels in this Commonwealth
8 on which the tax provided for in this chapter has not been
9 previously paid.

10 (7) Owns or operates aircraft, aircraft engines or
11 facilities for delivery of [liquid fuels] motor fuels or
12 alternative fuels to aircraft or aircraft engines and elects,
13 with the permission of the Secretary of Revenue, to qualify
14 and obtain a permit as a distributor.

15 (8) Exports [liquid fuels or fuels] motor fuels or
16 alternative fuels other than in the fuel supply tanks of
17 motor vehicles.

18 For the purposes of this definition, the term "alternative
19 fuels" means alternative fuels that will be used to propel a
20 motor vehicle on the public highways in this Commonwealth.

21 "Dyed diesel fuel." Any liquid, other than liquid fuels,
22 which is suitable for use as a fuel in a diesel-powered highway
23 vehicle and which is dyed pursuant to Federal regulations issued
24 under section 4082 of the Internal Revenue Code of 1986 (Public
25 Law 99-514, 26 U.S.C. § 4082) or which is a dyed fuel for
26 purposes of section 6715 of the Internal Revenue Code of 1986
27 (26 U.S.C. § 6715).

28 "E85." Fuel ethanol conforming to ASTM D5798-11 standards,
29 as amended, or successor standards.

30 "Electric vehicle." The term includes electric vehicles and

1 hybrid electric vehicles.

2 "Electric vehicle road fee." The annual fee imposed under
3 Subchapter C (relating to electric vehicle road fee) in place of
4 a motor fuel or alternative fuel tax assessed upon electricity
5 used in highway vehicles.

6 "Exempt entity." A person exempt under section 9004(e)
7 (relating to imposition of tax, exemptions and deductions) from
8 reporting and paying a motor fuel or alternative fuel tax.

9 "Export." Accountable [liquid fuels or fuels] motor fuels or
10 alternative fuels delivered out of State by or for the seller
11 constitutes an export by the seller. Accountable [liquid fuels
12 or fuels] motor fuels or alternative fuels delivered out of
13 State by or for the purchaser constitutes an export by the
14 purchaser.

15 "Fuels." Includes diesel fuel and all combustible gases and
16 liquids used for the generation of power in aircraft or aircraft
17 engines or used in an internal combustion engine for the
18 generation of power to propel vehicles on the public highways.
19 The term does not include liquid fuels or dyed diesel fuel.

20 "Gallon equivalent basis." The amount of any alternative
21 fuel as determined by the department to [contain 114,500 BTU's]
22 equal the energy content of one gallon of liquid fuels or fuels.
23 The rate of tax on the amount of each alternative fuel as
24 determined by the department under the previous sentence shall
25 be the current [liquid fuels tax and] oil company franchise tax
26 applicable to one gallon of gasoline.

27 "Gasoline gallon equivalent" or "GGE." The amount of
28 alternative fuel it takes to equal the energy content of one
29 gallon of gasoline.

30 "Highway." Every way or place open to the use of the public,

1 as a matter of right, for purposes of vehicular travel.

2 "Import." Accountable [liquid fuels or fuels] motor fuels or
3 alternative fuels delivered into this Commonwealth from out of
4 State by or for the seller constitutes an import by the seller.
5 Accountable [liquid fuels or fuels] motor fuels or alternative
6 fuels delivered into this Commonwealth from out of State by or
7 for the purchaser constitutes an import by the purchaser.

8 "Liquid fuels." All products derived from petroleum, natural
9 gas, coal, coal tar, vegetable ferments and other oils. The term
10 includes gasoline, naphtha, benzol, benzine or alcohols, either
11 alone or when blended or compounded, which are practically and
12 commercially suitable for use in internal combustion engines for
13 the generation of power or which are prepared, advertised,
14 offered for sale or sold for use for that purpose. The term does
15 not include kerosene, fuel oil, gas oil, E85, gasoline-alcohol
16 mixtures other than E85 containing greater than 85% alcohol by
17 volume, diesel fuel, tractor fuel by whatever trade name or
18 technical name known having an initial boiling point of not less
19 than 200 degrees fahrenheit and of which not more than 95% has
20 been recovered at 464 degrees fahrenheit (ASTM method D-86),
21 liquified gases which would not exist as liquids at a
22 temperature of 60 degrees fahrenheit and pressure of 14.7 pounds
23 per square inch absolute or naphthas and benzols and solvents
24 sold for use for industrial purposes.

25 "Magistrate." An officer of the minor judiciary. The term
26 includes a magisterial district judge.

27 "Major vehicle class." The term includes passenger vehicles,
28 light duty trucks and any other class as defined by the CAFE
29 standards.

30 "Mass transportation systems." Persons subject to the

1 jurisdiction of the Pennsylvania Public Utility Commission and
2 municipality authorities that transport persons on schedule over
3 fixed routes and derive 90% of their intrastate scheduled
4 revenue from scheduled operations within the county in which
5 they have their principal place of business or with contiguous
6 counties.

7 "Motor fuels." Includes liquid fuels, fuels, aviation
8 gasoline and jet fuels.

9 "Motor fuels tax." Any of the following taxes imposed under
10 section 9004 (relating to imposition of tax, exemptions and
11 deductions):

12 (1) The oil company franchise tax.

13 (2) The aviation gasoline and jet fuel taxes.

14 "Motor fuels and alternative fuels tax exemption
15 certificate." A certificate issued by the Department of Revenue
16 to a person requesting exemption from motor fuels taxes or
17 alternative fuels taxes according to the exemption provisions
18 under section 9004(e).

19 "Nonpublic schools not operated for profit." A school, other
20 than a public school, within this Commonwealth wherein a
21 resident of this Commonwealth may legally fulfill the compulsory
22 school attendance requirements of the laws of this Commonwealth,
23 and in the operation of which there is no contribution of
24 pecuniary gain or profit, no dividends or distribution or income
25 to its owners, officers or directors and no incidental profits
26 are distributed to its owner. The term does not include
27 institutions of higher learning.

28 "Permit." A [liquid fuels permit or a fuels permit] motor
29 fuels permit or alternative fuels permit. The term includes a
30 blender permit.

1 "Person." [Every natural person, association or
2 corporation.] An individual, firm, cooperative, association,
3 corporation, limited liability company, trust, business trust,
4 syndicate, partnership, limited liability partnership, joint
5 venture, receiver, trustee in bankruptcy, club society, or other
6 group or combination acting as a unit. The term includes a
7 public body, including, but not limited to, the Commonwealth,
8 any other state and an agency, commission, institution,
9 political subdivision or instrumentality of this Commonwealth or
10 any other state. Whenever used in any provision prescribing and
11 imposing a fine or imprisonment, the term as applied to
12 associations means the partners or members and as applied to
13 corporations means the officers thereof.

14 "Political subdivision." A county, city, borough,
15 incorporated town, township, school district, vocational school
16 district or county institution district. For exemption purposes,
17 the term includes:

18 (1) Authorities formed under enabling legislation.

19 (2) Instrumentalities or agencies of this Commonwealth,
20 unless otherwise provided.

21 "Registered distributor." A distributor holding a permit
22 issued by the Commonwealth under the provisions of this chapter.

23 "Sale" and "sale and delivery." Includes the invoicing or
24 billing of [liquid fuels or fuels] motor fuels or alternative
25 fuels free of tax as provided in section 9005 (relating to
26 taxpayer) from one distributor to another regardless of whether
27 the purchasing distributor is an accommodation party for
28 purposes of taking title or takes actual physical possession of
29 the [liquid fuels or fuels] motor fuels or alternative fuels.

30 "Secretary." The Secretary of Revenue of the Commonwealth.

1 "Terminal transfer system." The motor fuels or alternative
2 fuels distribution systems consisting of refineries, pipelines,
3 marine vessels and terminals.

4 "Use." Includes any of the following:

5 (1) The importation into this Commonwealth of motor
6 fuels or alternative fuels for the supply tanks or other
7 fueling receptacles or devices of a motor vehicle or aircraft
8 in excess of 50 gallons.

9 (2) The delivery or placing of motor fuels or
10 alternative fuels into the fuel supply tanks or other fueling
11 receptacles or devices of an aircraft or aircraft engine or
12 of a motor vehicle in this Commonwealth for use in a
13 combustion engine or diesel engine.

14 "Vehicle average miles driven." The average number of miles
15 driven by a particular vehicle type, as determined by the
16 Federal Highway Administration.

17 "Volunteer ambulance service." A nonprofit chartered
18 corporation, association or organization located in this
19 Commonwealth that is regularly engaged in the service of
20 providing emergency medical care and transportation of patients.

21 "Volunteer fire company." A nonprofit chartered corporation,
22 association or organization located in this Commonwealth that
23 provides fire protection services and other voluntary emergency
24 services within this Commonwealth, which may include voluntary
25 ambulance services and voluntary rescue services.

26 "Volunteer rescue service." A nonprofit chartered
27 corporation, association or organization located in this
28 Commonwealth that provides rescue services in this Commonwealth.

29 "Volunteer services." Includes volunteer ambulance services,
30 volunteer fire companies and volunteer rescue services.

1 Section 8. Chapter 90 of Title 75 is amended by adding a
2 subchapter heading to read:

3 SUBCHAPTER B

4 MOTOR FUELS AND ALTERNATIVE FUELS TAXES

5 Section 9. Sections 9003 heading and subsections (a), (b),
6 (d) and (g) and 9004(d), (e), (g) and (h) of Title 75 are
7 amended and the sections are amended by adding subsections to
8 read:

9 § 9003. [Liquid] Motor fuels and alternative fuels permits;
10 bond or deposit of securities.

11 (a) Permit required; violation.--A distributor may not
12 engage in the use or sale and delivery of [liquid] motor fuels
13 within this Commonwealth without a [liquid] motor fuels permit
14 [or engage in the use or sale and delivery of fuels within this
15 Commonwealth without a fuels permit] or engage in the use or
16 sale and delivery of alternative fuels within this Commonwealth
17 without an alternative fuels permit. Each day in which a
18 distributor engages in the use or sale and delivery of [liquid]
19 motor fuels within this Commonwealth without a [liquid] motor
20 fuels permit [or fuels without a fuels permit] or alternative
21 fuels without an alternative fuels permit shall constitute a
22 separate offense. For each such offense, the distributor commits
23 a misdemeanor of the third degree.

24 (a.1) Special permit for blenders.--Distributors who
25 purchase any motor fuels or alternative fuels subject to tax
26 under this chapter for use in the blending of motor fuels or
27 alternative fuels shall obtain a blender permit from the
28 department. A distributor holding a blender's permit may
29 purchase motor fuels or alternative fuels tax free from other
30 distributors holding a permit when the motor fuels or

1 alternative fuels are purchased for use exclusively in blending.
2 Blenders shall account separately for all purchases of motor
3 fuels and alternative fuels used in blending. The department may
4 prescribe the form of such necessary information.

5 (a.2) Prohibitions.--The following shall apply:

6 (1) A suspended, revoked or canceled permit is not a
7 valid permit and may not be used to make tax-free sales,
8 deliveries or purchases of motor fuels or alternative fuels.

9 (2) An exempt entity may not apply for a motor fuels
10 permit or an alternative fuels permit and may not resell
11 motor fuels or alternative fuels.

12 (b) Application.--A person desiring to operate as a
13 registered distributor shall file an application for [a liquid
14 fuels permit or a fuels permit, or both,] an alternative fuels
15 permit, a blenders permit or a motor fuels permit with the
16 department. A distributor may apply for more than one class of
17 permit. The application for a permit must be made upon a form
18 prescribed by the department and must set forth the name under
19 which the applicant transacts or intends to transact business,
20 the location of the place of business within this Commonwealth
21 and such other information as the department may require. The
22 department may, by written notice, require any applicant to
23 furnish a financial statement in such form as it may prescribe.
24 The department may charge an administrative application fee for
25 each permit. If the applicant has or intends to have more than
26 one place of business within this Commonwealth, the application
27 shall state the location of each place of business. If the
28 applicant is an association, the application shall set forth the
29 names and addresses of the persons constituting the association.
30 If the applicant is a corporation, the application shall set

1 forth the names and addresses of the principal officers of the
2 corporation and any other information prescribed by the
3 department for purposes of identification. The application shall
4 be signed and verified by oath or affirmation by:

5 (1) the owner, if the applicant is an individual;

6 (2) a member or partner, if the applicant is an
7 association; or

8 (3) an officer or an individual authorized in a writing
9 attached to the application, if the applicant is a
10 corporation.

11 * * *

12 (c.1) Permit class.--The department may establish classes of
13 distributors. Each class may have special bonding requirements.

14 (d) Surety bond.--A permit shall not be granted until the
15 applicant has filed with the department a surety bond payable to
16 the Commonwealth in an amount fixed by the department of at
17 least \$2,500. Every bond must have as surety an authorized
18 surety company approved by the department. The bond must state
19 that the distributor will faithfully comply with the provisions
20 of this chapter during the effective period of his permit. The
21 department may require any distributor to furnish such
22 additional, acceptable corporate surety bond as necessary to
23 secure at all times the payment to the Commonwealth of all
24 taxes, penalties and interest due under the provisions of this
25 chapter and section 9502 (relating to imposition of tax). The
26 department shall set a distributor's bond amount in a manner
27 sufficient to protect the revenues of the Commonwealth. If a
28 distributor fails to file the additional bond within ten days
29 after written notice from the department, the department may
30 suspend or revoke the permit and collect all taxes, penalties

1 and interest due. For the purpose of determining whether an
2 existing bond is sufficient, the department may by written
3 notice require a distributor to furnish a financial statement in
4 such form as it may prescribe. Upon failure of any distributor
5 to furnish a financial statement within 30 days of written
6 notice, the department may suspend or revoke the permit and
7 shall collect all taxes, penalties and interest due by him.

8 * * *

9 (g) Interstate or foreign commerce.--Nothing contained in
10 this chapter shall require the filing of any application or bond
11 or the possession and display of a [liquid] motor fuels permit
12 or an alternative fuels permit for the use or sale and delivery
13 of [liquid] motor fuels or alternative fuels in interstate or
14 foreign commerce not within the taxing power of the Commonwealth
15 or for the use of [liquid fuels] motor fuels or alternative
16 fuels by the Federal Government.

17 * * *

18 (j) Tax compliance.--No distributor may be issued a permit
19 under this chapter unless the distributor is in full compliance
20 with all other State taxes administered by the department.

21 § 9004. Imposition of tax, exemptions and deductions.

22 * * *

23 [(d) Alternative fuels tax.--

24 (1) A tax is hereby imposed upon alternative fuels used
25 to propel vehicles of any kind or character on the public
26 highways. The rate of tax applicable to each alternative fuel
27 shall be computed by the department on a gallon equivalent
28 basis and shall be published as necessary by notice in the
29 Pennsylvania Bulletin.

30 (2) The tax imposed in this section upon alternative

1 fuels shall be reported and paid to the department by each
2 alternative fuel dealer-user rather than by distributors
3 under this chapter similar to the manner in which
4 distributors are required to report and pay the tax on liquid
5 fuels and fuels, and the licensing and bonding provisions of
6 this chapter shall be applicable to alternative fuel dealer-
7 users. The department may permit alternative fuel dealer-
8 users to report the tax due for reporting periods greater
9 than one month up to an annual basis provided the tax is
10 prepaid on the estimated amount of alternative fuel to be
11 used in such extended period. The bonding requirements may be
12 waived by the department where the tax has been prepaid.]

13 (d.1) Alternative fuels tax.--

14 (1) The rate of tax applicable to each alternative fuel
15 subject to tax shall be computed by the department on a
16 gallon equivalent basis and shall be published as necessary
17 by notice in the Pennsylvania Bulletin. The tax imposed shall
18 apply to the entire amount of alternative fuel used or sold
19 and delivered.

20 (2) The tax shall be imposed upon the sale of previously
21 untaxed alternative fuels when one of the following occurs:

22 (i) A person places the alternative fuel in the
23 supply tanks of a vehicle for use in propelling the
24 vehicle on the public highways.

25 (ii) A person elects to pay the tax in advance of
26 the alternative fuel actually being used to propel a
27 vehicle on the public highways.

28 (3) A person who uses alternative fuels to propel a
29 vehicle upon the public highways and upon which the
30 alternative fuels tax has not been previously paid shall be

1 liable for the tax on the alternative fuel and shall be
2 licensed as an alternative fuels distributor by the
3 department. This paragraph does not apply to an exempt entity
4 using an alternative fuel in a tax-exempt manner.

5 (4) If a person paid tax on the purchase of alternative
6 fuels and subsequently used the tax-paid alternative fuel in
7 a nontaxable manner, the person may be eligible for a refund
8 of the alternative fuels tax under section 9017 (relating to
9 refunds) if the exempt use would qualify under the refund
10 conditions of section 9017.

11 (5) Alternative fuels distributors shall comply with all
12 provisions of this chapter applying to motor fuels
13 distributors, except when such provisions are in conflict or
14 otherwise inconsistent with the specific alternative fuels
15 distributor provisions of this subsection, in which case the
16 provisions of this subsection shall control.

17 (e) Exceptions.--The tax imposed under subsections (b), (c)
18 and (d) shall not apply to [liquid fuels, fuels] motor fuels or
19 alternative fuels:

20 (1) Delivered to the Federal Government on presentation
21 of an authorized Federal Government exemption certificate or
22 other evidence satisfactory to the department.

23 (2) Used or sold and delivered which are not within the
24 taxing power of the Commonwealth under the Commerce Clause of
25 the Constitution of the United States.

26 (3) Used as fuel in aircraft or aircraft engines, except
27 for the tax imposed under subsection (c).

28 (4) Delivered to this Commonwealth, a political
29 subdivision, a volunteer fire company, a volunteer ambulance
30 service, a volunteer rescue squad, a second class county port

1 authority or a nonpublic school not operated for profit on
2 presentation of evidence satisfactory to the department.

3 (5) Used in school buses for the exclusive purpose of
4 transporting students in grades kindergarten through 12 for
5 official school purposes, subject to all of the following:

6 (i) School districts are exempt from motor fuel and
7 alternative fuel taxes but may assign that exemption to a
8 school bus contractor who purchased tax-paid motor fuels
9 or alternative fuels for exclusive use in school buses
10 transporting students in grades kindergarten through 12
11 for official school purposes. A school bus contractor to
12 which a school district assigns the exemption shall be
13 eligible to apply for a refund of motor fuel or
14 alternative fuel taxes under section 9017(a.1) in the
15 same manner as an exempt entity.

16 (ii) A school district may apply to the Board of
17 Finance and Revenue for refunds of taxes paid by the
18 school district's school bus contractors that purchased
19 tax-paid motor fuels or alternative fuels for use in
20 transporting students for official school purposes.

21 (iii) School bus contractors may fuel from a school
22 district's tax-free bulk storage for the sole purpose of
23 transporting students under a contract.

24 (6) Sold to a volunteer service, provided that the
25 volunteer service complies with the following:

26 (i) The motor fuels or alternative fuels shall be
27 purchased from a registered distributor, and the motor
28 fuels or alternative fuels shall be placed in bulk
29 storage facilities on land owned or leased, with full
30 control thereover, by the volunteer service. The

1 purchaser shall furnish a motor fuels or alternative
2 fuels tax exemption certificate issued by the department
3 to the registered distributor certifying that it is a
4 volunteer service and the fuel will be used solely for
5 firefighting, emergency medical or rescue purposes and
6 only in official equipment owned by the volunteer
7 service.

8 (ii) If a volunteer service purchases motor fuels or
9 alternative fuels from a dealer or a nonregistered
10 Commonwealth distributor and pays the full price for the
11 fuels, including the tax, and if the volunteer service
12 uses the motor fuels or alternative fuels solely for
13 firefighting, emergency medical or rescue purposes and
14 only in equipment purchased by it, the volunteer service
15 may request a refund of the tax paid by applying to the
16 Board of Finance and Revenue on forms supplied by the
17 Board of Finance and Revenue.

18 (e.1) Use of motor fuels and alternative fuels by exempt
19 entities.--The following shall apply:

20 (1) An exempt entity may only use motor fuels or
21 alternative fuels for its official business purposes. The
22 exempt entity shall keep records of purchases and
23 disbursements of motor fuels and alternative fuels sufficient
24 to prove the official business use of the motor fuels and
25 alternative fuels. The recordkeeping must be similar to the
26 requirements for distributor and dealer recordkeeping under
27 section 9009 (relating to retention of records by
28 distributors and dealers).

29 (2) An exempt entity may not resell motor fuels or
30 alternative fuels.

1 (3) An exempt entity that violates paragraph (1) or (2)
2 commits a summary offense and may be assessed tax, interest
3 and penalties due on any motor fuels or alternative fuels
4 improperly used or resold.

5 * * *

6 (g) Distributors to pay tax.--[Distributors] Motor fuels and
7 alternative fuels distributors shall be liable to the
8 Commonwealth for the collection and payment of the tax imposed
9 by this chapter. The tax imposed by this chapter shall be
10 collected by the distributor at the time the [liquid fuels and
11 fuels] motor fuels or alternative fuels are used or sold and
12 delivered by the distributor and shall be borne by the consumer.

13 (h) Losses to be allowed.--The department shall allow for
14 handling and storage losses of [liquid fuels and fuels] motor or
15 alternative fuels that are substantiated to the satisfaction of
16 the department.

17 (i) Liability for use of dyed diesel fuel.--The following
18 shall apply to liability for the tax provided under subsection
19 (b):

20 (1) The tax imposed under subsection (b) is imposed on
21 the delivery or placing of dyed diesel fuel into the fuel
22 supply tanks or other fueling receptacles or devices of a
23 motor vehicle in this Commonwealth for prohibited use, in
24 whole or in part, for the generation of power to propel the
25 motor vehicle on the public highways of this Commonwealth.

26 (2) The following shall apply to parties liable under
27 this subsection:

28 (i) The person who causes to be operated or the
29 operator of a highway vehicle into which the dyed diesel
30 fuel is delivered shall be liable for the tax imposed

1 under paragraph (1).

2 (ii) The seller of the dyed diesel fuel is jointly
3 and severally liable for the tax under paragraph (1) if
4 the seller knows or has reason to know that the dyed
5 diesel fuel will not be used in a nontaxable use.

6 (3) The exemptions provided under subsection (e) shall
7 apply to the tax imposed by this subsection.

8 (j) Act of blending not subject to tax.--A distributor
9 holding a blending permit who blends motor fuels or alternative
10 fuels shall be exempt from the payment of the tax which would
11 otherwise be imposed upon any motor fuels or alternative fuels
12 purchased from registered distributors and used exclusively for
13 blending. The department shall establish necessary recordkeeping
14 standards for blenders.

15 (k) Sales without permits.--Sales of motor fuels or
16 alternative fuels between a registered distributor and any
17 person not holding a permit of the proper class shall always be
18 subject to tax, unless the sales are entitled to an exemption
19 expressly provided for under this chapter or unless the
20 alternative fuels are not yet subject to the alternative fuels
21 tax.

22 (l) Exemption certificates.--An exempt entity must provide a
23 motor fuels or alternative fuels tax exemption certificate
24 prescribed by the department to the registered distributor from
25 whom the exempt entity plans to purchase tax-free motor fuels or
26 alternative fuels.

27 (m) Nonpermitted persons acting as permitted distributor.--
28 The following shall apply:

29 (1) A person not holding a motor fuels permit or
30 alternative fuels permit that engages in the use or sale and

1 delivery of motor fuels or alternative fuels upon which the
2 tax imposed under this chapter has not been previously paid
3 shall be subject to all recordkeeping, reporting and payment
4 provisions provided for permitted distributors.

5 (2) Penalties are as follows:

6 (i) A person who does not hold the proper class of
7 permit to engage in the tax-free use or sale and delivery
8 of motor fuels or alternative fuels with another
9 distributor holding the proper class of permit shall pay
10 a sum equivalent to 10% of the motor fuels tax or
11 alternative fuels tax that would otherwise be due. This
12 penalty shall be in addition to any other applicable tax,
13 interest or penalty provided for under this chapter.

14 (ii) A properly permitted distributor who knowingly
15 engages in the tax-free use or sale and delivery of motor
16 fuels or alternative fuels with an improperly permitted
17 distributor shall also pay a sum equivalent to 10% of the
18 motor fuels tax or alternative fuels tax that would
19 otherwise be due. This penalty shall be in addition to
20 any other applicable tax, interest or penalty provided
21 for under this chapter.

22 (3) The penalties imposed by this subsection shall not
23 be considered part of a tax assessment.

24 (4) A nonpermitted distributor shall not be eligible for
25 any of the discounts provided under section 9006(b) (relating
26 to distributor's report and payment of tax).

27 Section 10. Section 9005 of Title 75 is amended to read:

28 § 9005. Taxpayer.

29 (a) Duty of distributor.--Every distributor using or
30 delivering [liquid fuels and fuels] motor fuels or alternative

1 fuels upon which a tax is imposed by this chapter shall pay the
2 tax into the State Treasury through the department.

3 (b) Delivery between distributors.--

4 (1) Whenever [liquid fuels and fuels] motor fuels or
5 alternative fuels are delivered within this Commonwealth by
6 one distributor to another distributor holding a permit under
7 this chapter, the distributor receiving the [liquid fuels and
8 fuels] motor fuels or alternative fuels shall separately
9 show, in that distributor's monthly reports to the
10 department, all such deliveries from each distributor and
11 shall pay the [liquid fuels and fuels] oil company franchise
12 tax provided for by this chapter upon all such [liquid fuels
13 and fuels] motor fuels or alternative fuels used or sold and
14 delivered within this Commonwealth.

15 (2) The distributor making deliveries under paragraph
16 (1) shall separately show those deliveries in that
17 distributor's monthly reports to the department and shall
18 then be exempt from the payment of the tax which would
19 otherwise be imposed upon the [liquid fuels and fuels] motor
20 fuels or alternative fuels so delivered. This exemption shall
21 apply only if both distributors under paragraph (1) hold
22 valid permits of a class authorizing tax-free use or sale and
23 delivery of the same specific motor fuels or alternative
24 fuels.

25 (3) The distributor shall furnish to the department such
26 information concerning such deliveries as the department may
27 require.

28 (4) The department shall furnish to any distributor,
29 upon request, a list of distributors holding permits under
30 this chapter and their addresses.

1 (5) A distributor holding a permit is the only person
2 entitled to sell motor fuels or alternative fuels tax-free to
3 another distributor holding a permit.

4 (c) Recovery of tax payment.--Distributors may add the
5 amount of the tax to the price of [liquid fuels and fuels] motor
6 fuels or alternative fuels sold by them and shall state the rate
7 of the tax separately from the price of the [liquid fuels and
8 fuels] motor fuels or alternative fuels on all price display
9 signs, sales or delivery slips, bills and statements which
10 advertise or indicate the price of [liquid fuels and fuels]
11 motor fuels or alternative fuels.

12 (d) Penalty.--A person who violates this section commits a
13 summary offense.

14 Section 11. Section 9006(a) and (d) of Title 75 are amended
15 and the section is amended by adding a subsection to read:
16 § 9006. Distributor's report and payment of tax.

17 (a) Monthly report.--For the purpose of ascertaining the
18 amount of tax payable under this chapter, the distributor, on or
19 before the 20th day of each month, shall transmit to the
20 department on a form prescribed by the department a report,
21 under oath or affirmation, of the [liquid fuels and fuels] motor
22 fuels or alternative fuels used or delivered by that distributor
23 within this Commonwealth during the preceding month. The report
24 shall separately show the number of gallons or GGEs of [liquid
25 fuels and fuels] motor fuels or alternative fuels used or
26 delivered within this Commonwealth during the period for which
27 that report is made and any further information that the
28 department prescribes. A distributor having more than one place
29 of business within this Commonwealth shall combine in each
30 report the use or delivery of [liquid fuels and fuels] motor

1 fuels or alternative fuels at all such separate places of
2 business.

3 * * *

4 (d) Additional penalty.--If a distributor neglects or
5 refuses to make any report [and] or payment as required, an
6 additional 10% of the amount of the tax due or \$50, whichever is
7 greater, shall be added by the department and collected as
8 provided. In addition to the added penalty, the permit of the
9 distributor may be suspended or revoked by the department.

10 (e) Method of filing and timeliness.--The following shall
11 apply:

12 (1) Unless specifically otherwise provided for by law,
13 all reports, payments and petitions must be filed
14 electronically with the department. Upon receipt of an
15 electronic filing by the department, the filing is deemed to
16 have occurred on the specific date and time indicated by the
17 computers or systems of the department.

18 (2) The following exceptions shall apply:

19 (i) Electronic payment is not required for any
20 payment amount less than the current minimum amount
21 specified in sections 9 and 10 of the act of April 9,
22 1929 (P.L.343, No.176), known as The Fiscal Code.

23 (ii) A distributor also may be excused from
24 electronic filing that is otherwise required by law upon
25 presentation to the department of evidence of hardship in
26 filing electronically. The evidence must be provided to
27 and accepted by the department prior to the due date for
28 the report, payment or petition.

29 (iii) Electronic filing may not be accepted by the
30 department for certain required filings under this

1 chapter where the department does not have the technical
2 capability to process such an electronic filing, or where
3 such filing requirements conflict with the provisions of
4 any interstate compacts that are binding upon the
5 Commonwealth.

6 (3) Whenever a report, payment or petition is required
7 by law to be filed with the department by the United States
8 Postal Service, the following apply:

9 (i) If the report, payment or petition must be
10 received by the department on or before a day certain,
11 the taxpayer shall be deemed to have complied with the
12 law if the correctly addressed envelope transmitting the
13 report, payment or petition received by the department is
14 postmarked by the United States Postal Service on or
15 prior to the final day on which the report, payment or
16 petition is required to be received.

17 (ii) For purposes of this paragraph, presentation of
18 a receipt from the United States Postal Service
19 indicating that the correctly addressed envelope
20 transmitting the report, payment or petition received by
21 the department was mailed on or before the due date shall
22 be evidence of timely filing and payment.

23 (iii) This paragraph shall not apply to any report,
24 payment or petition that is required by law to be
25 delivered by any method other than mailing.

26 (4) To be considered timely, both a report and any
27 payment due, if applicable, including any interest or
28 penalty, must be filed before the due date.

29 Section 12. Sections 9007(d), 9008 and 9009 of Title 75 are
30 amended to read:

1 § 9007. Determination and redetermination of tax, penalties and
2 interest due.

3 * * *

4 (d) Sanctions.--If a distributor neglects or refuses to make
5 a report [and] or payment of tax required by this chapter, the
6 department shall estimate the tax due by such distributor and
7 determine the amount due for taxes, penalties and interest.
8 There shall be no right of review or appeal from this
9 determination. Upon neglect or refusal, permits issued to the
10 distributor may be suspended or revoked by the department and
11 required to be surrendered to the department.

12 § 9008. Examination of records and equipment.

13 (a) General rule.--The department or any agent appointed in
14 writing by the department is authorized to examine the books,
15 papers, records, meters, storage tanks and contents, and any
16 other equipment of any distributor, dealer or any other person
17 pertaining to the use or sale and delivery of [liquid fuels and
18 fuels] motor fuels or alternative fuels taxable under this
19 chapter to verify the accuracy of any report or payment made
20 under the provisions of this chapter or to ascertain whether or
21 not the tax imposed by this chapter has been paid. Any
22 information gained by the department as the result of the
23 reports, investigations or verifications required to be made
24 shall be confidential.

25 (b) Penalty.--A person divulging confidential information
26 under subsection (a) commits a misdemeanor of the third degree.

27 (c) Consumer protection.--Notwithstanding subsection (a) or
28 (b) or section 731 of the act of April 9, 1929 (P.L.343,
29 No.176), known as The Fiscal Code, any incorrect motor fuel or
30 alternative fuel composition information, including octane

1 values, discovered by the department upon examination of storage
2 tank contents or related records may be disclosed to the Office
3 of Attorney General for investigation.

4 (d) Public safety.--Notwithstanding subsection (a) or (b) or
5 section 731 of The Fiscal Code, any suspected violation that
6 could pose a threat to public safety discovered by the
7 department during an examination authorized by this section may
8 be disclosed to the appropriate enforcement authority for
9 investigation.

10 § 9009. Retention of records by distributors and dealers.

11 (a) Record retention period.--

12 (1) The distributor and dealer shall maintain and keep
13 for a period [of two years] consisting of the current
14 calendar year plus the previous two years, a record of
15 [liquid fuels and fuels] motor fuels and alternative fuels
16 used or sold and delivered within this Commonwealth by the
17 distributor, together with invoices, bills of lading and
18 other pertinent papers as required by the department. The
19 amount of tax imposed on each sale of motor fuels or
20 alternative fuels shall be stated separately.

21 (2) A person purchasing [liquid fuels and fuels] motor
22 fuels or alternative fuels taxable under this chapter from a
23 distributor for the purpose of resale shall maintain for a
24 period [of two years] consisting of the current calendar year
25 plus the previous two years, a record of liquid fuels and
26 fuels received, the amount of tax paid to the distributor as
27 part of the purchase price, delivery tickets, invoices and
28 bills of lading and such other records as the department
29 requires.

30 (3) Additional records include:

1 (i) A distributor shall keep a record showing the
2 number of gallons, GGEs or standard cubic feet of:

3 (A) all [diesel fuel] motor fuel and alternative
4 fuel inventories on hand at the first of each month;

5 (B) all [diesel fuel] motor fuel and alternative
6 fuel refined, compounded or blended;

7 (C) all [diesel fuel] motor fuel and alternative
8 fuel purchased or received, showing the name of the
9 seller and the date of each purchase or receipt;

10 (D) all [diesel fuel] motor fuel and alternative
11 fuel sold, distributed or used, showing the name of
12 the purchaser and the date of sale, distribution or
13 use; and

14 (E) all [diesel fuel] motor fuel and alternative
15 fuel lost by fire or other accident.

16 (i.1) A distributor shall keep a record showing the
17 octane value of each motor fuel and alternative fuel
18 purchased, sold or blended.

19 (ii) A dealer shall keep a record showing the number
20 of gallons, GGEs or standard cubic feet of:

21 (A) all [diesel fuel] motor fuel and alternative
22 fuel inventories on hand at the first of each month;

23 (B) all [diesel fuel] motor fuel and alternative
24 fuel purchased or received, showing the name of the
25 seller, the date of each purchase or receipt;

26 (C) all [diesel fuel] motor fuel and alternative
27 fuel sold, distributed or used; and

28 (D) all [diesel fuel] motor fuel and alternative
29 fuel lost by fire or other accident.

30 (iii) A dealer shall keep a record showing the

1 octane value of each motor fuel and alternative fuel
2 purchased, sold or blended.

3 (a.1) Maintenance of recordkeeping equipment.--Distributors
4 and dealers are responsible for ensuring that all measuring
5 equipment used for recordkeeping, including, but not limited to,
6 meters, gauges and electronic sensors, are maintained in good
7 working order so that the department, upon inspection of records
8 and equipment provided for in this chapter, is able to determine
9 the proper tax that the distributor or dealer should have
10 reported or paid to the Commonwealth.

11 (b) Penalty.--Any person violating any of the provisions of
12 this section commits a [misdemeanor of the third degree] summary
13 offense.

14 Section 13. Section 9011 of Title 75 is amended by adding a
15 subsection to read:

16 § 9011. Discontinuance or transfer of business.

17 * * *

18 (b.1) New permit prohibited.--A person who participated as
19 an owner or officer of a distributor required to provide notice
20 under subsection (a) may be prohibited from applying for a new
21 permit until the underlying liabilities to the Commonwealth from
22 the discontinued or transferred distributor are satisfied.

23 Section 14. Section 9012(a) Title 75 is amended and the
24 section is amended by adding subsections to read:

25 § 9012. Suspension or revocation of permits.

26 (a) Notice and hearings.--If the department finds that the
27 holder of a permit has failed to comply with the provisions of
28 this chapter, the department shall notify the permit holder and
29 afford the permit holder a hearing on [five] seven days' written
30 notice. A hearing will be scheduled by the department only upon

1 request by the permit holder.

2 * * *

3 (b.1) Immediate suspension or revocation.--Notwithstanding
4 subsection (a), the department may immediately suspend or revoke
5 a permit for failure to timely report or pay any tax due under
6 section 9006 (relating to distributor's report and payment of
7 tax).

8 (b.2) Demand on surety bond.--Notwithstanding subsection
9 (a), the department may make demand upon a registered
10 distributor's surety bond where the distributor has failed to
11 timely report or pay any tax due under section 9006.

12 * * *

13 Section 15. Sections 9013, 9015 and 9016 of Title 75 are
14 amended to read:

15 § 9013. Lien of taxes, penalties and interest.

16 [(a) General rule.--]All unpaid taxes imposed by this
17 chapter and section 9502 (relating to imposition of tax) and
18 penalties and interest due shall be a lien [upon the franchises
19 and property of the taxpayer after the lien has been entered and
20 docketed of record by the prothonotary or similar officer of the
21 county where the property is situated], as provided in Article
22 XIV of the act of April 9, 1929 (P.L.343, No.176), known as The
23 Fiscal Code.

24 [(b) Priority of lien.--The lien under subsection (a) shall
25 have priority from the date of its entry of record and shall be
26 fully paid and satisfied out of the proceeds of a judicial sale
27 of property subject to the lien before any other obligation,
28 judgment, claim, lien or estate to which the property may
29 subsequently become subject, except costs of the sale and of the
30 writ upon which the sale was made and real estate taxes and

1 municipal claims against the property. The lien under subsection
2 (a) shall be subordinate to mortgages and other liens existing
3 and recorded or entered of record prior to the recording of the
4 tax lien.

5 (c) Discharge of lien.--In the case of a judicial sale of
6 property subject to a lien imposed under this section, the sale
7 shall discharge the lien imposed under this section to the
8 extent only that the proceeds are applied to its payment, and
9 the lien shall continue in full force and effect as to the
10 balance remaining unpaid.

11 (d) Procedure.--

12 (1) Statements of all taxes imposed under this chapter
13 and section 9502, together with penalties and interest,
14 certified by the secretary, may be transmitted to the
15 prothonotaries or similar officers of the respective counties
16 of this Commonwealth to be entered of record and indexed as
17 judgments are now indexed.

18 (2) A writ of execution may directly issue upon the lien
19 without the issuance and prosecution to judgment of a writ of
20 scire facias.

21 (3) Not less than ten days before issuance of execution
22 on a lien, notice of the filing and the effect of the lien
23 shall be sent by registered mail to the taxpayer at the
24 taxpayer's last known post office address.

25 (4) A prothonotary or similar officer may not require,
26 as a condition precedent to the entry of a lien under this
27 section, the payment of costs incident to entry of the lien.

28 (5) A lien under this section shall continue for five
29 years from the date of entry and may be revived and continued
30 under the act of April 9, 1929 (P.L.343, No.176), known as

1 The Fiscal Code.

2 (e) Statement to department.--A sheriff, receiver, trustee,
3 assignee, master or other officer may not sell the property or
4 franchises of a distributor without first filing with the
5 department a statement containing all of the following
6 information:

7 (1) Name or names of the plaintiff or party at whose
8 instance or upon whose account the sale is made.

9 (2) Name of the person whose property or franchise is to
10 be sold.

11 (3) The time and place of sale.

12 (4) The nature and location of the property.

13 (f) Notice concerning lien.--The department, after receiving
14 notice under subsection (e), shall furnish to the sheriff,
15 receiver, trustee, assignee, master or other officer having
16 charge of the sale a certified copy or copies of all liquid
17 fuels tax, fuels tax and oil company franchise tax penalties and
18 interest on file in the department as liens against the person
19 or, if there are no such liens, a certificate showing that fact.
20 The certified copy or copies or certificate shall be publicly
21 read by the officer in charge of the sale at and immediately
22 before the sale of the property or franchise of the person.

23 (g) Lien certificate.--The department shall furnish to a
24 person making application, upon payment of the prescribed fee, a
25 certificate showing the amount of all liens for liquid fuels
26 tax, fuels tax or oil company franchise tax, penalties and
27 interest under the provisions of this chapter on record in the
28 department against any person.]

29 § 9015. [Reports from common carriers.

30 (a) Duty.--A person transporting liquid fuels either in

1 interstate or intrastate commerce to a point within this
2 Commonwealth from a point within or without this Commonwealth
3 shall report under oath or affirmation to the department on or
4 before the last day of each month for the preceding month all
5 deliveries of liquid fuels made to points within this
6 Commonwealth.

7 (b) Forms.--The report shall be on a form prescribed by the
8 department and shall state the names and addresses of the
9 consignor and consignee, the number of gallons of liquid fuels
10 transported and any other information which the department may
11 require.

12 (c) Penalty.--Any person violating any of the provisions of
13 this section commits a misdemeanor of the third degree.]

14 (Reserved).

15 § 9016. [Reward for detection of violations.

16 The secretary is authorized to pay a reward, out of money
17 appropriated from the Motor License Fund for the purpose, to any
18 person, other than a State officer or employee, who reports a
19 distributor who has failed to file the reports required and pay
20 the tax imposed by this chapter. The reward shall be in an
21 amount the secretary deems proper, not exceeding 10% of the
22 amount of the tax, penalty and interest due. A reward shall not
23 be paid unless collection of the delinquent tax has been made or
24 the distributor has been convicted for violating this chapter.]

25 (Reserved).

26 Section 16. Section 9017(a), (a.1), (b), (e.1), (e.2) and
27 (f) of Title 75 are amended and the section is amended by adding
28 subsections to read:

29 § 9017. Refunds.

30 (a) Department [of Revenue].--Except as provided in

1 subsection (a.1), the [Department of Revenue] department may
2 refund taxes, penalties, interest, fines, additions and other
3 money collected pursuant to this chapter in accordance with
4 section 3003.1 of the act of March 4, 1971 (P.L.6, No.2), known
5 as the Tax Reform Code of 1971.

6 (a.1) Board of Finance and Revenue.--The Board of Finance
7 and Revenue may make reimbursements and refunds of tax imposed
8 and collected upon motor fuels and alternative fuels, liquid
9 fuels or fuels as provided under subsections (b), (c) or (e). In
10 addition, the board may refund on an annual basis any tax
11 imposed by this chapter and collected by the department upon
12 motor fuels and alternative fuels, liquid fuels or fuels
13 delivered to any entity exempt from tax under section 9004(e)
14 (relating to imposition of tax, exemptions and deductions) which
15 has not been claimed as exempt by the distributor or otherwise
16 refunded. The board may adopt regulations relating to procedures
17 for the administration of its duties under this subsection.

18 (a.2) Assignment.--An exempt entity may assign its right to
19 a refund of tax-paid motor fuels or tax-paid alternative fuels
20 only as follows:

21 (1) To a school bus subcontractor using such motor fuels
22 or alternative fuels in a tax-exempt manner and on behalf of
23 the school district.

24 (2) To a distributor who sold the exempt entity tax-paid
25 fuel for the exempt entity's own exempt use of such fuels.

26 (a.3) Invalid assignment.--An assignment of rights to a
27 refund not in accordance with subsection (a.2) shall be an
28 invalid assignment of rights for refund purposes.

29 (b) Farm tractors and volunteer fire rescue and ambulance
30 services.--A person shall be reimbursed the full amount of the

1 tax imposed by this chapter if the person uses or buys [liquid
2 fuels or] motor fuels or alternative fuels on which the tax
3 imposed by this chapter has been paid and consumes them:

4 (1) in the operation of any nonlicensed farm tractor or
5 licensed farm tractor when used off the highways for
6 agricultural purposes relating to the actual production of
7 farm products; or

8 (2) in the operation of a vehicle of a volunteer fire
9 company, volunteer ambulance service or volunteer rescue
10 squad.

11 * * *

12 (e.1) Truck refrigeration units.--

13 (1) A program shall be implemented to provide
14 reimbursement for tax paid on undyed diesel fuel or
15 alternative fuel used in truck refrigeration units.

16 (2) A person shall be reimbursed the amount of tax paid
17 pursuant to section 9004 on any purchase of undyed diesel
18 fuel or alternative fuel which is not more than [75] 100
19 gallons or GGEs per purchase and is delivered into a fuel
20 tank which is designed to supply only an internal combustion
21 engine mounted on a registered vehicle used exclusively for
22 truck refrigeration.

23 (3) For the period of October 1, 1997, through September
24 30, 1998, claims for reimbursement of taxes paid shall be
25 filed by March 1, 1999, with the [Department of Revenue]
26 department. For the period of October 1, 1998, through
27 September 30, 1999, claims for reimbursement under this
28 subsection shall be filed by October 31, 1999, with the
29 department. For the period from October 1, 1999, through
30 September 30, 2000, inclusive, claims for reimbursement under

1 this subsection shall be filed with the department by October
2 31, 2000. For the quarter beginning October 1, 2000, and each
3 quarter thereafter, claims for reimbursement shall be filed
4 with the department on a quarterly basis and must be filed
5 within 60 days following the end of the quarter for which
6 reimbursement is being claimed.

7 (4) The department may require a claimant to satisfy any
8 sales or use tax liability on the undyed diesel fuel or
9 alternative fuels for which the reimbursement is claimed.

10 (5) A claim for reimbursement must be supported by sales
11 receipts with the word "reefer" noted on the claim and the
12 date of purchase, seller's name and address, number of
13 gallons or GGEs purchased, fuel type, price per gallon or GGE
14 or total amount of sale, unit numbers and the purchaser's
15 name. The department may specify other documentation which it
16 will accept in lieu of sales receipts. In the case of
17 withdrawals from claimant-owned tax-paid bulk storage, the
18 claim must be supported by detailed records of the date of
19 withdrawal, number of gallons, or GGEs, fuel type, unit
20 number and purchase and inventory records to substantiate
21 that the tax was paid on all bulk purchases. Notwithstanding
22 the provisions of section 9009 (relating to retention of
23 records by distributors and dealers), all required
24 documentation shall be retained for a period of three years
25 following the filing date of the claim for reimbursement
26 under this subsection. If the claimant fails to retain
27 documentation as required by this paragraph, the department
28 may deny the reimbursement or issue an assessment for any
29 refund granted plus interest under section 9007 (relating to
30 determination and redetermination of tax, penalties and

1 interest due).

2 (e.2) Agricultural power takeoff.--A person shall be
3 reimbursed the full amount of the tax imposed by this chapter if
4 the person uses or buys [liquid fuels or fuels] motor fuels or
5 alternative fuels on which the tax imposed by this chapter has
6 been paid and consumes them to load for delivery or to unload at
7 a farm feed, feed products, lime or limestone products for
8 agricultural use from a vehicle by means of a power takeoff,
9 provided the fuel usage is documented only by an electronic
10 monitoring device used in conjunction with an electronically
11 controlled engine. Reimbursements shall be documented only as
12 provided in this subsection, and no reimbursement shall be based
13 upon any form of alternative documentation. Claims for
14 reimbursement shall be filed with the department on a quarterly
15 basis and must be filed within 60 days following the end of the
16 quarter for which reimbursement is being claimed. The provisions
17 of subsection (f) except for the filing fee provision shall
18 apply to claims for reimbursement under this subsection to the
19 extent they are not inconsistent with this subsection.

20 (f) Claims, forms, contents, penalties.--

21 (1) A claim for reimbursement or refund under subsection
22 (b), (c) or (e) shall be made upon a form to be furnished by
23 the board and must include, in addition to such other
24 information as the board may by regulation prescribe, the
25 name and address of the claimant; the period of time and the
26 number of gallons [of liquid fuels] or GGEs of motor fuels or
27 alternative fuels used for which reimbursement is claimed; a
28 description of the farm machinery, aircraft or aircraft
29 engine in which [liquid fuels] motor fuels or alternative
30 fuels have been used; the purposes for which the machinery,

1 aircraft or aircraft engine has been used; and the size of
2 the farm and part in cultivation on which such [liquid] motor
3 fuels and alternative fuels have been used.

4 (2) A claim must contain statements that the [liquid
5 fuels] motor fuels or alternative fuels for which
6 reimbursement is claimed have been used only for purposes for
7 which reimbursements are permitted; that records of the
8 amounts of such fuels used in each piece of farm machinery,
9 aircraft or aircraft engine have been kept; and that no part
10 of the claim has been paid except as stated. A claim must
11 contain a declaration that it and accompanying receipts are
12 true and correct to the best of the claimant's knowledge and
13 must be signed by the claimant or the person claiming on the
14 claimant's behalf. A claim must be accompanied by receipts
15 indicating that the [liquid fuels] motor fuels or alternative
16 fuels tax was paid on the [liquid fuels] motor fuels or
17 alternative fuels or that the excess [liquid fuels] motor
18 fuels or alternative fuels tax was paid on the [liquid fuels]
19 motor fuels or alternative fuels for which reimbursement is
20 claimed. Records of purchases of [liquid fuels] motor fuels
21 or alternative fuels and use in each tractor or powered
22 machinery, aircraft or aircraft engine shall be kept for a
23 period [of two years] consisting of the current year plus two
24 previous years. A claim must be made annually for the
25 preceding year ending on June 30. A claim must be submitted
26 to the board by September 30.

27 (3) The board shall refuse to consider any claim
28 received or postmarked later than that date. The claimant
29 must satisfy the board that the tax has been paid and that
30 the [liquid fuels] motor fuels or alternative fuels have been

1 consumed by the claimant for purposes for which
2 reimbursements are permitted under this section. The action
3 of the board in granting or refusing reimbursement shall be
4 final. The board shall deduct the sum of \$1.50, which shall
5 be considered a filing fee, from every claim for
6 reimbursement granted. Filing fees are specifically
7 appropriated to the board and to the department for expenses
8 incurred in the administration of the reimbursement
9 provisions of this chapter. The board has the power to refer
10 to the department for investigation any claim for
11 reimbursement filed under the provisions of this chapter.

12 (4) The department shall investigate the application and
13 report to the board.

14 (5) A person making any false or fraudulent statement
15 for the purpose of obtaining reimbursement commits a
16 misdemeanor of the third degree.

17 * * *

18 Section 17. Sections 9018(a) and (c), 9019 heading and
19 subsections (a), (c), (d) and (g) and 9022 of Title 75 are
20 amended to read:

21 § 9018. Violations.

22 (a) Failure to report and pay; examinations; unlawful
23 acts.--

24 (1) A person commits [a misdemeanor of the third degree]
25 a summary offense if the person does any of the following:

26 (i) Fails, neglects or refuses to make the report
27 and pay the tax, penalties and interest imposed by this
28 chapter.

29 (ii) Refuses to permit the department or any agent
30 appointed by it in writing to examine books, records,

1 meters, papers, storage tanks and contents or other
2 equipment pertaining to the use or sale and delivery of
3 [liquid] motor fuels or alternative fuels within this
4 Commonwealth.

5 (iii) [Makes any incomplete, false or fraudulent
6 report or claim.] Willfully and knowingly makes,
7 publishes, delivers or utters a false statement orally,
8 or in writing, or in the form of a receipt for the sale
9 of motor fuels and alternative fuels, for the purpose of
10 obtaining or attempting to obtain, or to assist any
11 person to obtain or attempt to obtain, a credit or refund
12 or reduction of liability for taxes under this chapter.

13 (iv) Attempts to do anything to avoid a full
14 disclosure of the amount of [liquid fuels] motor fuels or
15 alternative fuels used or sold and delivered or to avoid
16 the payment of the tax, penalties and interest due.

17 (2) [Any] Notwithstanding paragraph (1), any partner or
18 member of an association and any officer of a corporation
19 whose duty it was to make the report required by this chapter
20 [shall be subject to imprisonment under paragraph (1)]
21 commits a misdemeanor of the third degree for failing to make
22 the report required and attend to the payment of the tax
23 imposed by this chapter and may be subject to imprisonment.

24 (3) The fine under paragraph (1) [shall] or (2) may be
25 in addition to any penalty imposed by any other [section or
26 subsection] provision of this chapter.

27 (4) Upon conviction under paragraph [(1)] (2), all of
28 the convicted distributor's permits shall be revoked.

29 * * *

30 (c) Penalty.--A person who violates any of the provisions of

1 [this section] subsection (b) commits a misdemeanor of the third
2 degree. The fine [shall] may be in addition to any penalty
3 imposed by any other [section or subsection] provision of this
4 chapter. Upon conviction under subsection (b), all of the
5 convicted person's permits shall be revoked.

6 § 9019. [Diesel] Motor fuel importers and transporters;
7 prohibiting use of dyed diesel fuel on highways;
8 violations and penalties.

9 (a) [Diesel] Motor fuel transporters.--

10 (1) A person must obtain a [diesel] motor fuel
11 transporter's permit in order to import, export or transport
12 within this Commonwealth [diesel] motor fuel, other than dyed
13 diesel fuel, via a pipeline or by means of a tank-truck
14 vehicle, railroad tank car or vessel with a capacity of 2,000
15 gallons or more. The permit application must be filed with
16 the department upon a form prescribed by the department.

17 (2) A [fee of \$5] per vehicle fee shall be charged by
18 the department for the issuance of a transporter's permit.

19 (3) Every person required to obtain a permit under
20 paragraph (1) shall report under oath or affirmation to the
21 department on or before the last day of each month for the
22 preceding month all deliveries of [diesel] motor fuel, other
23 than dyed diesel fuel[,] and retail deliveries of kerosene in
24 quantities of less than 300 gallons per delivery to any point
25 within this Commonwealth, including any interstate or
26 intrastate movements of [diesel] motor fuel and any exports.
27 The form shall be prescribed by the department and may
28 require any of the following:

29 (i) The names and addresses of the cosigner and
30 cosignee, the seller or other party from whom the

1 [diesel] motor fuel was received, the buyer or other
2 party to whom the [diesel] motor fuel was delivered and
3 points to and from which the [diesel] motor fuel was
4 shipped or delivered.

5 (ii) The method of shipment or delivery.

6 (iii) The number of gallons.

7 (4) All shipments of [diesel] motor fuel, including dyed
8 diesel fuel, shall be accompanied by sales delivery tickets
9 or bills of lading. Shipments for which the required
10 documentation does not accompany the shipment or for which
11 the notice required with respect to dyed diesel fuel does not
12 comply with the requirements of subsection (b) shall be
13 presumed to not be shipments of dyed diesel fuel.

14 (5) A transporter report must be electronically filed in
15 accordance with the methods of filing prescribed for
16 distributors under section 9006(e) (relating to distributor's
17 report and payment of tax).

18 (6) A transporter holding a distributor permit is not
19 required to file a transporter report but must possess a
20 transporter permit under this section.

21 * * *

22 (c) Dyed diesel fuel not to be used on public highways.--

23 (1) A person may not operate a motor vehicle on the
24 public highways of this Commonwealth if the fuel supply tanks
25 of the vehicle contain dyed diesel fuel unless permitted to
26 do so under a Federal law or regulation relating to the use
27 of dyed diesel fuel on the highways.

28 (2) A person may not sell or deliver any dyed diesel
29 fuel knowing or having reason to know that the fuel will be
30 consumed in a highway use. A person who dispenses dyed diesel

1 fuel from a retail pump that is not properly labeled with the
2 notice required by subsection (b) or who knowingly delivers
3 dyed diesel fuel into the storage tank of such a pump shall
4 be presumed to know the fuel will be consumed on the highway.

5 (3) There is a rebuttable presumption that a vehicle
6 registered for use on the public highways has recently been
7 and soon will be used on the public highways.

8 (4) Notwithstanding paragraph (1) or (2), dyed diesel
9 fuel may be used in a school bus, provided the bus is used
10 exclusively for the transportation of school district
11 students in grades kindergarten through 12, provided the
12 usage does not conflict with the exemptions provided in
13 section 4082 of the Internal Revenue Code of 1986 (Public Law
14 99-514, 26 U.S.C. § 4082).

15 (d) Violations.--A person may not do any of the following:

16 (1) Import, export or transport within this Commonwealth
17 [diesel] motor fuel, other than dyed diesel fuel, without the
18 permit required under subsection (a) (1).

19 (2) Transport [diesel] motor fuel in this Commonwealth
20 without the permit required under subsection (a) (1).

21 (3) Operate a motor vehicle on the public highways of
22 this Commonwealth with dyed diesel fuel in the fuel supply
23 tank except as provided in subsection (c) (1).

24 (4) Sell or deliver dyed diesel fuel from a retail pump
25 unless the pump is properly labeled as required under
26 subsection (b).

27 (5) Sell or deliver any dyed diesel fuel knowing or
28 having reason to know that the fuel will be consumed in a
29 highway use under subsection (c) (2).

30 (6) Fail to report the deliveries under subsection (a)

1 (3) using forms prescribed by the department.

2 * * *

3 (g) Enforcement.--

4 (1) Any revenue enforcement agent or other person
5 authorized by the department may enter any place where motor
6 fuels are produced or stored and may physically inspect any
7 tank, reservoir or other container that can be used for the
8 production, storage or transportation of [diesel] motor fuel,
9 diesel fuel dyes or diesel fuel markers. Inspection may also
10 be made of any equipment used for or in connection with the
11 production, storage or transportation of diesel fuel, diesel
12 fuel dyes or diesel fuel markers. This includes any equipment
13 used for the dyeing or marking of diesel fuel. Books, records
14 and other documents may be inspected to determine tax
15 liability. An agent may detain a vehicle, vessel or railroad
16 tank car placed on a customer's siding for use or storage for
17 the purpose of inspecting fuel tanks or fuel storage tanks as
18 necessary to determine the amount and composition of the
19 fuel. An agent may take and remove samples of [diesel] motor
20 fuel in reasonable quantities necessary to determine the
21 composition of the fuel.

22 (2) A person that refuses to allow an inspection as
23 provided in this subsection commits a summary offense and
24 shall, upon conviction, be sentenced to pay a fine of not
25 less than \$1,000 nor more than \$2,000 for each refusal.

26 § 9022. Uncollectible [checks] payments.

27 If a check issued in payment of tax, penalty or interest
28 imposed by this chapter is returned to the department as
29 uncollectible, the department shall [charge a fee of \$5 per
30 hundred dollars or fractional part thereof, plus all protest

1 fees, to the person presenting the check to the department.]
2 apply section 3003.9 of the act of March 4, 1971 (P.L.6, No.2),
3 known as the Tax Reform Code of 1971.

4 Section 18. Title 75 is amended by adding a section to read:
5 § 9024. Emergency assistance in timely manner.

6 (a) Within this Commonwealth.--Upon the Governor's
7 declaration of a state of emergency in this Commonwealth, the
8 Secretary of Revenue may waive, suspend or otherwise modify any
9 provisions of this chapter for the sole purpose of enabling
10 motor carriers to respond to emergency conditions and conduct
11 emergency relief efforts in a timely manner. Such waivers,
12 suspensions or modifications shall be effective for a specific
13 period of time as determined by the Secretary of Revenue and
14 shall not exceed the termination of the state of emergency
15 declared by the Governor.

16 (b) Outside this Commonwealth.--The Secretary of Revenue,
17 with prior authorization from the Governor, may waive, suspend
18 or otherwise modify any provisions of this chapter on a
19 temporary and definite basis in order to facilitate the timely
20 movement of vehicles or fuel from and through this Commonwealth
21 to other jurisdictions requesting emergency assistance from this
22 Commonwealth.

23 (c) Recordkeeping.--Notwithstanding subsections (a) and (b),
24 each distributor, exempt entity or other person who buys, sells
25 or uses motor fuels or alternative fuels pursuant to the terms
26 of an emergency declaration shall maintain records to
27 substantiate participation in the emergency relief efforts. A
28 vehicle, other than a qualified motor vehicle as defined under
29 section 2101.1 (relating to definitions) or a vehicle operated
30 by an exempt entity, traveling on the public highways of this

1 Commonwealth during the emergency period under subsection (a) or
2 (b) shall maintain records of purchases of tax-exempt fuel.
3 (d) Taxes not waived.--Unless specifically suspended by the
4 Secretary of Revenue, motor fuels and alternative fuel taxes
5 imposed under section 9004 (relating to imposition of tax,
6 exemptions and deductions) shall not be waived for an emergency
7 period under subsection (a) or (b).

8 Section 19. Chapter 90 of Title 75 is amended by adding a
9 subchapter to read:

10 SUBCHAPTER C

11 ELECTRIC VEHICLE ROAD FEE

12 Sec.

13 9031. Short title of subchapter.

14 9032. Road use fee imposed on electric vehicles.

15 9033. Electricity used in electric motor.

16 9034. Fees for highway maintenance and construction.

17 9035. Exempt entities.

18 9036. Refunds.

19 9037. Motor carriers road tax and the International Fuel Tax
20 Agreement.

21 § 9031. Short title of subchapter.

22 This subchapter shall be known and may be cited as the
23 Electric Vehicle Road Fee Act.

24 § 9032. Road use fee imposed on electric vehicles.

25 (a) Fee required for registration.--Concurrent with
26 submitting an annual vehicle registration application and fee to
27 the Department of Transportation under section 1301 (relating to
28 registration and certificate of title required), an owner of an
29 electric vehicle shall submit the electric vehicle road fee. The
30 following shall apply:

1 (1) Normal vehicle registration shall not be considered
2 complete without payment in full of the electric vehicle road
3 fee.

4 (2) The electric vehicle road fee shall be paid by each
5 new owner registering the vehicle with the Commonwealth.

6 (b) Computation of electric vehicle road use fee.--

7 (1) The department shall compute the electric vehicle
8 road fee for each major vehicle class defined in the CAFE
9 standards.

10 (2) The electric vehicle road fee shall equal the
11 average annual vehicle fuel tax within each vehicle class.

12 (3) The average annual vehicle fuel fee computation
13 shall be as follows:

14 (i) The vehicle average miles driven divided by the
15 miles per gallon equivalent per vehicle as determined by
16 the department.

17 (ii) The quotient under subparagraph (i) shall be
18 multiplied by the oil company franchise tax rate for
19 gasoline and the product shall be the average annual
20 vehicle fuel fee.

21 (4) The department shall annually determine the electric
22 vehicle road fee for each vehicle class, to be published in
23 the Pennsylvania Bulletin on or before December 15 of each
24 year.

25 (c) Regulations.--The department shall promulgate
26 regulations to address new vehicle technology.

27 § 9033. Electricity used in electric motor.

28 (a) General rule.--Electricity used in an electric motor
29 that propels a vehicle on the public highways of this
30 Commonwealth is not considered a motor fuel or alternative fuel

1 as defined under this chapter.

2 (b) Electric vehicles exempt from motor fuel and alternative
3 fuel taxes.--An electric vehicle shall not pay a motor fuel tax
4 or alternative fuel tax under this chapter unless the tax is
5 assessed upon motor fuel or alternative fuel taxes that may also
6 be used for other purposes in the vehicle.

7 § 9034. Fees for highway maintenance and construction.

8 A fee collected under this subchapter must be allocated to
9 the Motor License Fund in accordance with the allocations under
10 Chapter 95 (relating to taxes for highway maintenance and
11 construction). For purposes of aligning the electric vehicle
12 road fee with the allocations of taxes provided for in Chapter
13 95, the electric vehicle road fee must be allocated in the same
14 fashion as the oil company franchise tax in Chapter 95.

15 § 9035. Exempt entities.

16 An electric vehicle registered to an exempt entity under
17 section 9004(e) (relating to imposition of tax, exemptions and
18 deductions) is exempt from paying the electric vehicle road fee.
19 An exempt entity shall comply with the following usage and
20 recordkeeping requirements:

21 (1) If an electric vehicle registered to an exempt
22 entity is used for a nonexempt purpose during the
23 registration year, the exempt entity shall pay a fine of \$500
24 to the department. The vehicle owner is not eligible for a
25 refund of a registration fee that may have been paid for the
26 vehicle.

27 (2) An exempt entity applying for a refund under section
28 9007 (relating to determination and redetermination of tax,
29 penalties and interest due) shall maintain records of vehicle
30 usage, certifying that an individual trip made by the vehicle

1 was for a qualified exempt use. Individual trip logs,
2 odometer readings and driver signatures shall be among the
3 records required to substantiate exempt use.

4 (3) The department may inspect the substantiating
5 records for an exempt entity at any time.

6 (4) The exempt entity shall cooperate with an agent of
7 the department in an inspection.

8 (5) An exempt entity that refuses to permit the
9 department or an agent appointed by it in writing to examine
10 the books, records, papers or other equipment associated with
11 the operation of an electric vehicle commits a summary
12 offense and shall pay a fine of \$500 for each electric
13 vehicle owned or operated by the exempt entity.

14 § 9036. Refunds.

15 A person may be entitled to a refund of the electric vehicle
16 road fee paid for a vehicle that would otherwise have been
17 exempt under section 9006 (relating to distributor's report and
18 payment of tax). A person entitled to a refund of the electric
19 vehicle road fee shall apply for an annual refund in a manner
20 similar to the refund process used for motor fuels and
21 alternative fuels under section 9017 (relating to refunds).

22 § 9037. Motor carriers road tax and the International Fuel Tax
23 Agreement.

24 The department shall promulgate regulations as necessary for
25 compliance with the motor carriers road tax and International
26 Fuel Tax Agreement.

27 Section 20. Sections 9402, 9403(b)(1), 9405(a) and (i) and
28 9502(a)(1) of Title 75 are amended to read:

29 § 9402. Construction of chapter.

30 This chapter shall be construed in conjunction with Chapter

1 90 (relating to [liquid fuels and fuels tax] motor fuels and
2 alternative fuels taxes and electric vehicle road fee), and any
3 terms defined therein shall have the same meanings when used in
4 this chapter.

5 § 9403. Revenue agents; powers.

6 * * *

7 (b) Powers.--Revenue agents shall have the power to:

8 (1) Enforce the provisions of this chapter and Chapter
9 90 (relating to [liquid fuels and fuels tax] motor fuels and
10 alternative fuels taxes and electric vehicle road fee) and to
11 arrest, with or without a warrant, any person violating such
12 provisions.

13 * * *

14 § 9405. Forfeitures; process and procedures.

15 (a) Subjects of forfeiture.--The following are subject to
16 forfeiture to the Commonwealth and no property right shall exist
17 in them:

18 (1) Any liquid fuels or fuels produced in or imported
19 into this Commonwealth by any distributor who does not
20 possess a valid liquid fuels tax permit or fuels permit as
21 required by section 9003 (relating to [liquid fuels and
22 fuels] motor fuels and alternative fuels permits; bond or
23 deposit of securities), except liquid fuels or fuels imported
24 in barrels, drums or similar containers with a capacity of
25 not more than 55 gallons in each barrel, drum or container.

26 (2) All conveyances, including vehicles or vessels, used
27 to transport liquid fuels or fuels as described in paragraph

28 (1) except:

29 (i) no conveyance used by any person as a common
30 carrier in the transaction of business as a common

1 carrier is subject to forfeiture under this section
2 unless it appears that the owner or other person in
3 charge of the conveyance is a consenting party or privy
4 to a violation of Chapter 90 (relating to [liquid fuels
5 and fuels tax] motor fuels and alternative fuels taxes
6 and electric vehicle road fees); and

7 (ii) no bona fide security interest retained or
8 acquired under Title 13 (relating to commercial code) by
9 any merchant dealing in new or used vehicles or vessels,
10 or retained or acquired by any licensed or regulated
11 finance company, bank, lending institution or by any
12 other business regularly engaged in the financing of or
13 lending on the security of such vehicles or vessels,
14 shall be subject to forfeiture or impairment.

15 * * *

16 (i) Standard of proof.--The claimant shall have the burden
17 of proving that he is not subject to the provisions of this
18 section, but the burden of proof shall be upon the Commonwealth
19 to prove all other facts necessary for the forfeiture of the
20 property. In the event that the Commonwealth has not met its
21 burden by a preponderance of the evidence or the claimant has
22 proved that he is not subject to the provisions of this section,
23 the court shall order the property returned to the claimant;
24 otherwise, the court shall order the property forfeited to the
25 Commonwealth. In the case of a motor vehicle, vessel or
26 conveyance, should the claimant prove to the satisfaction of the
27 court that he is the registered owner of the motor vehicle,
28 vessel or conveyance and that he did not know or have reason to
29 know that it was being used to transport liquid fuels or fuels
30 in violation of the provisions of section 9404 (relating to

1 violations and penalties) or 9019 (relating to [diesel] motor
2 fuel importers and transporters; prohibiting use of dyed diesel
3 fuel on highways; violations and penalties), the court in its
4 discretion may order the motor vehicle, vessel or conveyance
5 returned to the claimant.

6 * * *

7 § 9502. Imposition of tax.

8 (a) General rule.--

9 (1) An "oil company franchise tax for highway
10 maintenance and construction" which shall be an excise tax of
11 60 mills is hereby imposed upon all liquid fuels and fuels as
12 defined and provided in Chapter 90 (relating to [liquid fuels
13 and fuels tax] motor fuels and alternative fuels taxes and
14 electric vehicle road fee), and such tax shall be collected
15 as provided in section 9004(b) (relating to imposition of
16 tax, exemptions and deductions). Of the amount collected in
17 fiscal year 2015-2016, and each fiscal year thereafter,
18 \$35,000,000 shall be deposited in the Multimodal
19 Transportation Fund established under 74 Pa.C.S. § 2102
20 (relating to Multimodal Transportation Fund), to be expended
21 in accordance with section 11 of Article VIII of the
22 Constitution of Pennsylvania.

23 * * *

24 Section 21. Section 9602 of Title 75 is amended by adding a
25 definition to read:

26 § 9602. Definitions.

27 The following words and phrases when used in this chapter and
28 in Chapter 21 (relating to motor carriers road tax
29 identification markers) shall have the meanings given to them in
30 this section and in section 2101.1 (relating to definitions)

1 unless the context clearly indicates otherwise:

2 * * *

3 "License." A license authorizing travel of a qualified motor
4 vehicle in this Commonwealth which is not suspended, revoked or
5 canceled.

6 * * *

7 Section 22. Sections 9604(a) and 9610 of Title 75 are
8 amended to read:

9 § 9604. Credit for motor fuel and alternative fuel tax payment.

10 (a) General rule.--Every motor carrier subject to the tax
11 imposed under this chapter shall be entitled to a credit on the
12 tax, equivalent to the rate per gallon of the Pennsylvania tax
13 which is currently in effect, on all [gasoline or other motor
14 fuel] motor fuels and alternative fuels purchased by the carrier
15 within this Commonwealth for use in its operation either within
16 or without this Commonwealth and upon which [gasoline or other
17 motor fuel the] motor fuels tax or alternative fuels tax imposed
18 by the laws of this Commonwealth has been paid by such carrier.
19 Evidence of the payment of the tax in such form as may be
20 required by, or is satisfactory to, the department shall be
21 furnished by each carrier claiming the credit. When the amount
22 of the credit to which any motor carrier is entitled for any
23 quarter exceeds the amount of the tax for which the carrier is
24 liable for the same quarter, such excess shall, upon application
25 and under regulations of the department, be allowed as a credit
26 on the tax for which the carrier would be otherwise liable for
27 any of the eight succeeding quarters; or, upon application to
28 the department within the time that records are required to be
29 maintained from the end of any quarter, duly verified and
30 presented, in accordance with regulations promulgated by the

1 department and supported by such evidence as may be satisfactory
2 to the department, such excess shall be refunded if it shall
3 appear that the applicant has paid to another state under a
4 lawful requirement of such state a tax, similar in effect to the
5 tax provided in this chapter, on the use or consumption in that
6 state of [gasoline or other] motor fuel or alternative fuel
7 purchased in this Commonwealth.

8 * * *

9 § 9610. [Records.

10 Every motor carrier shall keep such records, in such form as
11 the department reasonably may prescribe, as will enable the
12 carrier to report and enable the department to determine the
13 total number of miles traveled by its entire fleet of qualified
14 motor vehicles, the total number of miles traveled in this
15 Commonwealth by the entire fleet, the total number of gallons of
16 motor fuel used by the entire fleet and the total number of
17 gallons of motor fuel purchased in this Commonwealth for the
18 entire fleet. All such records shall be safely preserved for a
19 period of four years in such manner as to insure their security
20 and availability for inspection by the secretary or any
21 authorized employee engaged in the administration of this
22 chapter. Upon application in writing, stating the reasons
23 therefor, the department may, in its discretion, consent to the
24 destruction of any such records at any time within that period
25 if the records pertain to a period which has been audited by the
26 department. Every taxpayer shall retain records required by this
27 chapter at a place within this Commonwealth, but a taxpayer who
28 elects to retain records outside of this Commonwealth shall
29 assume reasonable out-of-State audit expenses.] (Reserved).

30 Section 23. Title 75 is amended by adding a section to read:

1 § 9610.1 Recordkeeping.

2 (a) Records.--Every motor carrier shall keep records, in a
3 form as the department may reasonably prescribe, as will enable
4 the carrier to report and enable the department to determine all
5 of the following:

6 (1) The total number of miles traveled by its entire
7 fleet of qualified motor vehicles.

8 (2) The total number of miles traveled in this
9 Commonwealth by the entire fleet of qualified motor vehicles.

10 (3) The total number of gallons of motor fuel and
11 alternative fuel used by the entire fleet of qualified motor
12 vehicles.

13 (4) The total number of gallons of motor fuel and
14 alternative fuel purchased in this Commonwealth for the
15 entire fleet of qualified motor vehicles.

16 (b) Record location.--Every taxpayer shall retain records
17 required by this chapter at a place within this Commonwealth. A
18 taxpayer who elects to retain records outside this Commonwealth
19 shall assume reasonable out-of-State audit expenses.

20 (c) Record preservation.--Records shall be preserved for a
21 period of four years from the due date of the return or the date
22 filed, whichever is later. The preservation shall ensure their
23 security and availability for inspection by the secretary or any
24 authorized employee engaged in the administration of this
25 chapter. Records may be kept on microfilm, microfiche or other
26 computerized or condensed record storage system. Upon
27 application in writing, stating the reasons therefor, the
28 department may, in its discretion, consent to the destruction of
29 any such records at any time within that period if the records
30 pertain to a period which has been audited by the department.

1 (d) Record availability.--Records for International Fuel Tax
2 Agreement licensees must be made available upon request of a
3 member jurisdiction.

4 (e) Statute of limitations.--Failure to provide records
5 demande d for the purpose of audit shall extend the statute of
6 limitations until the records are provided.

7 (f) Separate accounting.--Bulk storage fuel purchases and
8 withdrawals and over-the-road purchases shall be accounted for
9 separately.

10 (g) International Fuel Tax Agreement vehicles.--The
11 International Fuel Tax Agreement vehicles whose base
12 jurisdiction is in this Commonwealth shall follow the
13 International Fuel Tax Agreement Procedures Manual for the
14 following recordkeeping standards:

15 (1) Over-the-road fuel purchases.

16 (2) Bulk fuel purchases.

17 (3) Distance records.

18 (4) Acceptable source records for recording vehicle
19 distance information that may include all of the following:

20 (i) The Individual Vehicle Mileage Record required
21 by the International Registration Plan.

22 (ii) A trip report that includes the information in
23 paragraphs (1), (2) and (3), the starting and ending date
24 of the trip, the trip's origin and destination, including
25 city and state, routes of travel, starting and ending
26 odometer readings, vehicle unit number, vehicle fleet
27 number and licensee's name.

28 (iii) At the option of the carrier, on-board
29 recording devices that may be used in lieu of or in
30 addition to handwritten trip reports for fuel tax

1 reporting. On-board recording devices may be used alone
2 or in conjunction with an electronic computer system, or
3 in conjunction with manual systems.

4 (5) Data collection, including, but not limited to,
5 electronic or hardcopy format, to obtain the information
6 needed to verify fleet distance, to prepare the Individual
7 Vehicle Mileage Record and for fuel tax purposes. The carrier
8 shall maintain all mandatory and optional records as
9 specified in the International Fuel Tax Agreement Procedures
10 Manual.

11 (h) Decals.--International Fuel Tax Agreement decals shall
12 be considered records under this section. International Fuel Tax
13 Agreement motor carriers shall be responsible for maintaining
14 the decals for periods sufficient to meet the record
15 preservation rules under subsection (c). If a motor carrier
16 loses control of a decal for which it is responsible under
17 Chapter 21 (relating to motor carriers road tax identification
18 markers), the motor carrier shall notify the department in
19 writing of the loss within 30 days. An owner-operator to whom a
20 licensed carrier has provided decals shall remain responsible
21 for the disposition of the owner-operator's decals.

22 (i) Qualified motor vehicles.--A qualified motor vehicle not
23 subject to International Fuel Tax Agreement and holding a motor
24 carrier road tax license under Chapter 21 shall comply with
25 subsections (a), (b), (c), (d), (e) and (f). The qualified motor
26 vehicle holding the permit shall maintain responsibility for
27 motor carrier road tax decals in a manner similar to that as
28 provided for International Fuel Tax Agreement decals in
29 subsection (h).

30 (j) Compliance.--Noncompliance with any recordkeeping

1 requirement under this section may cause revocation of the
2 license.

3 Section 24. Sections 9611, 9613, 9615(e), 9616(f) and 9617
4 of Title 75 are amended to read:

5 § 9611. Surety bond for payment of taxes.

6 (a) General rule.--A motor carrier may give a surety company
7 bond in an amount deemed necessary by the department to protect
8 the revenues of the Commonwealth, payable to the Commonwealth of
9 Pennsylvania and conditioned that the carrier will pay all taxes
10 due and to become due under this chapter from the date of the
11 bond to the date when either the carrier or the bonding company
12 notifies the department that the bond has been canceled. The
13 surety shall be a corporation authorized to write surety bonds
14 in this Commonwealth. [As long as the bond remains in force, the
15 Board of Finance and Revenue may order refunds to the motor
16 carrier in the amounts appearing to be due on applications duly
17 filed by the motor carrier under section 9604 (relating to
18 credit for motor fuel tax payment), without first auditing the
19 records of the carrier. The bond shall cover taxes and interest
20 due thereon even though the assessment is made after
21 cancellation of the bond, but only for taxes due and payable
22 while the bond was in force and penalties and interest on such
23 taxes.]

24 (b) Conditions for bonding.--The department may require a
25 licensee to post a bond if any of the following conditions
26 exists:

27 (1) The licensee fails to timely file tax returns or
28 remit taxes.

29 (2) When an audit, examination or inspection of records
30 indicates problems severe enough that, in the department's

1 discretion, a bond is required to protect the interests of
2 the Commonwealth or member jurisdictions.

3 (3) As may be required under the International Fuel Tax
4 Agreement.

5 (c) Surety amount.--The total amount of the bond shall be
6 determined by the department and shall be equivalent to at least
7 twice the amount of the estimated average tax liability for the
8 tax reporting period for which the licensee shall be required to
9 file a tax return.

10 (d) Surety substitute.--Upon approval by the department, in
11 lieu of a surety bond, an International Fuel Tax Agreement
12 licensee or applicant for a new International Fuel Tax Agreement
13 license may deposit a substitute type of surety as provided for
14 in the International Fuel Tax Agreement Articles of Agreement
15 and the International Fuel Tax Agreement Procedures Manual.

16 (e) Demand on bond.--In order to secure the revenues of the
17 Commonwealth or member jurisdictions, the department shall have
18 the discretion to make demand on a taxpayer's surety bond upon
19 discovering a failure to timely file a report or payment as
20 required under section 9605 (relating to tax due date).

21 (f) Applicability.--Bond requirements under this section may
22 apply to new International Fuel Tax Agreement license applicants
23 and existing International Fuel Tax Agreement licensees.

24 § 9613. Penalty and interest for failure to report or pay tax.

25 When any motor carrier fails to file a report [and] or pay
26 the tax within the time prescribed by this chapter for the
27 filing [and] or payment thereof, he shall pay as a penalty for
28 each failure to file or to pay on or before the prescribed date
29 a sum equivalent to 10% of the tax or \$50, whichever is greater.
30 In addition to this penalty, any unpaid tax shall bear interest

1 at the current rate [of 1% per month or fraction thereof]
2 imposed by the International Fuel Tax Agreement until the tax is
3 paid. If the Commonwealth ceases to participate in the
4 International Fuel Tax Agreement, the rate shall be 1% per month
5 or fraction thereof until the tax is paid. The penalties and
6 interest charges imposed shall be paid to the department in
7 addition to the tax due. This section shall apply to any
8 qualified motor vehicle, including a qualified motor vehicle
9 bearing an International Fuel Tax Agreement license and decal or
10 motor carrier road tax license and decal in accordance with
11 Chapter 21 (relating to motor carriers road tax identification
12 markers).

13 § 9615. Manner of payment and recovery of taxes, penalties and
14 interest.

15 * * *

16 (e) Renewal of lien.--[The lien imposed under this section
17 shall continue for five years from the date of its entry of
18 record and may be renewed and continued in the manner provided
19 for the renewal of judgments.] A lien under this section shall
20 continue as specified under section 1401 of the act of April 9,
21 1929 (P.L.343, No.176), known as The Fiscal Code.

22 § 9616. Determination, redetermination and review.

23 * * *

24 (f) [Review and appeal.--Any person shall have the right to
25 review by the Board of Finance and Revenue and appeal in the
26 same manner and within the same time as provided by law in the
27 case of capital stock and franchise taxes imposed upon
28 corporations.] A person dissatisfied with the decision of the
29 department under subsection (b) shall have the right to petition
30 for review by the Board of Finance and Revenue in accordance

1 with Article XXVII of the act of March 4, 1971 (P.L.6, No.2),
2 known as the Tax Reform Code of 1971.

3 § 9617. [Timely mailing treated as timely filing and payment.

4 With respect to all reports, claims, statements and other
5 documents required to be filed and all payments required to be
6 made under this chapter, any such report, claim, statement and
7 other document or payment of tax withheld shall be considered as
8 timely filed if the report, claim, statement or other document
9 or payment which has been received by the department is
10 postmarked by the United States Postal Service on or prior to
11 the final day on which payment is to be received. For the
12 purposes of this chapter, the presentation of a receipt
13 indicating that the report, claim, statement or other document
14 or payment was mailed by registered or certified mail on or
15 before the due date shall be prima facie evidence of timely
16 filing of the report, claim, statement or other document or
17 payment.] (Reserved).

18 Section 25. Title 75 is amended by adding a section to read:

19 § 9617.1. Method of filing and timeliness.

20 (a) Electronic filing.--Except as provided for under
21 subsection (b), unless specifically provided for by law, all
22 reports, payments and petitions shall be filed electronically
23 with the department. Upon receipt of an electronic filing by the
24 department, the filing shall be deemed to have occurred on the
25 specific date and time indicated by the department's computers
26 or systems.

27 (b) Exceptions.--

28 (1) Electronic payment is not required for any payment
29 amount less than the current minimum amount specified in
30 sections 9 and 10 of the act of April 9, 1929 (P.L.343,

1 No.176), known as The Fiscal Code.

2 (2) A motor carrier may be excused from electronic
3 filing that is otherwise required by law upon presenting to
4 the department evidence of hardship in filing electronically.
5 The evidence shall be provided to and accepted by the
6 department before the due date for the report, payment or
7 petition.

8 (3) Electronic filing shall not be accepted by the
9 department for certain required filings under this chapter
10 where the department does not have the technical capability
11 to process such an electronic filing.

12 (c) United States Postal Service filing.--

13 (1) Whenever a report, payment or petition is required
14 or allowed by law to be filed with the department by the
15 United States Postal Service, all of the following shall
16 apply:

17 (i) If the report must be received by the department
18 on or before a day certain, the taxpayer shall be deemed
19 to have complied with the law if the correctly addressed
20 envelope transmitting the report, payment or petition
21 received by the department is postmarked by the United
22 States Postal Service on or before the final day on which
23 the report, payment or petition is required to be
24 received.

25 (ii) For the purposes of this subsection,
26 presentation of a receipt from the United States Postal
27 Service indicating that the correctly addressed envelope
28 transmitting the report, payment or petition received by
29 the department was mailed on or before the due date shall
30 be evidence of timely filing and payment.

1 (d) Applicability.--This section shall not apply to any
2 report, payment or petition that is required by law to be
3 delivered by any method other than mailing.

4 Section 26. Section 9622(c) of Title 75 is amended to read:
5 § 9622. Reciprocal agreements.

6 * * *

7 (c) Exchange of information.--Notwithstanding section 731 of
8 the act of April 9, 1929 (P.L.343, No.176), known as The Fiscal
9 Code, any information relating to taxes collected pursuant to
10 any agreement authorized by this section, including any
11 information concerning motor fuel taxes relating to such taxes
12 collected, may be exchanged or shared with any agency,
13 department or instrumentality of any member jurisdiction,
14 including an agency of the Commonwealth, with authority under
15 the laws of that jurisdiction to administer or enforce motor
16 vehicle or taxation laws or with any instrumentality or
17 repository of any agreement.

18 * * *

19 Section 27. Title 75 is amended by adding sections to read:
20 § 9623. Uncollectible payments.

21 If the payment of a tax, penalty or interest imposed by this
22 chapter is returned to the department as uncollectible, the
23 department shall follow section 3003.9 of the act of March 4,
24 1971 (P.L.6, No.2), known as the Tax Reform Code of 1971.

25 § 9624. Emergency assistance in timely manner.

26 (a) Within this Commonwealth.--Upon the Governor's
27 declaration of a state of emergency in this Commonwealth, the
28 secretary may waive, suspend or otherwise modify any provisions
29 of this chapter for the sole purpose of enabling motor carriers
30 to respond to emergency conditions and conduct emergency relief

1 efforts in a timely manner. The waivers, suspensions or
2 modifications shall be effective for a specific period of time
3 as determined by the secretary and shall not exceed the
4 termination of the state of emergency declared by the Governor.

5 (b) Outside this Commonwealth.--The secretary, with prior
6 authorization from the Governor, may waive, suspend or otherwise
7 modify any provisions of this chapter on a temporary and
8 definite basis in order to facilitate the timely movement of
9 vehicles or fuel from and through this Commonwealth to other
10 jurisdictions requesting emergency assistance from this
11 Commonwealth.

12 (c) Recordkeeping.--Notwithstanding subsections (a) and (b),
13 all vehicles, including both qualified motor vehicles as defined
14 under section 2101.1 (relating to definitions) and nonqualified
15 motor vehicles, or a vehicle operated by an exempt entity
16 traveling on the public highways of this Commonwealth during the
17 emergency period under subsection (a) or (b) must maintain
18 records of purchases of tax-exempt fuel.

19 (d) Taxes not waived.--Unless suspended by the Governor or
20 secretary, motor fuels and alternative fuels taxes imposed under
21 section 9004 (relating to imposition of tax, exemptions and
22 deductions) may not be waived for an emergency period under
23 subsection (a) or (b).

24 Section 28. This act shall take effect as follows:

25 (1) The addition of 75 Pa.C.S. Ch. 90 Subch. C shall
26 take effect January 1, 2016.

27 (2) The remainder of this act shall take effect July 1,
28 2015, or immediately, whichever occurs later.