

ASSEMBLY, No. 826

STATE OF NEW JERSEY

Introduced Pending Technical Review by Legislative Counsel

PRE-FILED FOR INTRODUCTION IN THE 1996 SESSION

By Assemblyman ARNONE

1 AN ACT providing for the refunding of motor fuel tax paid by school  
2 buses and other buses operated for the transportation of enrolled  
3 children and adults, amending R.S.54:39-66.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State  
6 of New Jersey:

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8 1. R.S.54:39-66 is amended to read as follows:

9 54:39-66. Any person:

10 (1) Who shall use any fuels as herein defined for any of the  
11 following purposes:

12 (a) (Deleted by amendment.)

13 (b) Buses while being operated over the highways of this State  
14 in those municipalities to which the operator has paid a monthly  
15 franchise tax for the use of the streets therein under the provisions of  
16 R.S.48:16-25 and autobuses while being operated over the highways  
17 of this State in a regular route bus operation as defined in R.S.48:4-1  
18 and under operating authority conferred pursuant to R.S.48:4-3, or  
19 while providing bus service under a contract with the New Jersey  
20 Transit Corporation or under a contract with a county for special or  
21 rural transportation bus service subject to the jurisdiction of the New  
22 Jersey Transit Corporation pursuant to P.L.1979, c.150 (C.27:25-1 et  
23 seq.), and autobuses providing commuter bus service which receive or  
24 discharge passengers in New Jersey and buses operated for the  
25 transportation of enrolled children and adults referred to in subsection  
26 c. of R.S.48:4-1. For the purpose of this paragraph "commuter bus  
27 service" means regularly scheduled passenger service provided by  
28 motor vehicles whether within or across the geographical boundaries  
29 of New Jersey and utilized by passengers using reduced fare, multiple  
30 ride or commutation tickets and shall not include charter bus  
31 operations or special bus operations as defined in R.S.48:4-1 [or buses  
32 operated for the transportation of enrolled children and adults referred

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.**

**Matter underlined thus is new matter.**

- 1 to in subsection c. of R.S.48:4-1],
- 2 (c) Agricultural tractors not operated on a public highway,
- 3 (d) Farm machinery,
- 4 (e) Aircraft,
- 5 (f) Ambulances,
- 6 (g) Rural free delivery carriers in the dispatch of their official
- 7 business,
- 8 (h) Such vehicles as run only on rails or tracks, and such vehicles
- 9 as run in substitution therefor,
- 10 (i) Such highway motor vehicles as are operated exclusively on
- 11 private property,
- 12 (j) Motor boats or motor vessels used exclusively for or in the
- 13 propagation, planting, preservation and gathering of oysters and clams
- 14 in the tidal waters of this State,
- 15 (k) Motor boats or motor vessels used exclusively for commercial
- 16 fishing,
- 17 (l) Motor boats or motor vessels, while being used for hire for
- 18 fishing parties or being used for sightseeing or excursion parties,
- 19 (m) Cleaning,
- 20 (n) Fire engines and fire-fighting apparatus,
- 21 (o) Stationary machinery and vehicles or implements not designed
- 22 for the use of transporting persons or property on the public highways,
- 23 (p) Heating and lighting devices,
- 24 (q) Fuels previously taxed under this chapter and later exported or
- 25 sold for exportation from the State of New Jersey to any other state
- 26 or country; provided, proof satisfactory to the director of such
- 27 exportation is submitted,
- 28 (r) Motor boats or motor vessels used exclusively for Sea Scout
- 29 training by a duly chartered unit of the Boy Scouts of America,
- 30 (s) Emergency vehicles used exclusively by volunteer first-aid or
- 31 rescue squads, and
- 32 (t) Diesel fuel, the increase in the tax thereof as imposed by
- 33 P.L.1984, c.73, as used by passenger automobiles and motor vehicles
- 34 of less than 5,000 pounds gross weight; and
- 35 (2) Who shall have paid the tax for such fuels, hereby required to
- 36 be paid, shall be reimbursed and repaid the amount of tax so paid upon
- 37 presenting to the director an application for such reimbursement or
- 38 repayment, in form prescribed by the director, which application shall
- 39 be verified by a declaration of the applicant that the statements
- 40 contained therein are true. Such application for reimbursement or
- 41 repayment shall be supported by an invoice, or invoices, showing the
- 42 name and address of the person from whom purchased, the name of
- 43 the purchaser, the date of purchase, the number of gallons purchased,
- 44 the price paid per gallon, and an acknowledgment by the seller that
- 45 payment of the cost of the fuel, including the tax thereon, has been
- 46 made. Such invoice, or invoices, shall be legibly written and shall be

1 void if any corrections or erasures shall appear on the face thereof.

2 The director may, in his discretion, permit a distributor entitled to  
3 a refund under the provisions of this section to take credit therefor, in  
4 lieu of such refund, in such manner as the director may require, on a  
5 report filed pursuant to R.S.54:39-27.

6 Any refund granted to a person under subsection (1)(e), for fuel  
7 used in aircraft, shall be paid from the moneys deposited in the Airport  
8 Safety Fund established by section 4 of the "New Jersey Airport Safety  
9 Act of 1983," P.L.1983, c.264 (C.6:1-92). Such refunds shall be  
10 granted on an annual basis.

11 (cf: P.L.1992, c.23, s.45)

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13 2. This act shall take effect July 1 next following enactment.

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#### STATEMENT

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18 This bill adds operators of school buses to the list of motor fuel  
19 users that are allowed to obtain refunds of motor fuel tax imposed on  
20 their motor fuel purchases. The motor fuels tax established pursuant  
21 to R.S.54:39-1 et seq. effectively provides for "exemptions" from the  
22 tax for certain governmental and public safety and commercial uses by  
23 providing a system of refunds based on documentation of the amount  
24 fuel and price paid by the user. Under the current law, motor fuel  
25 purchases by school districts and other governmental entities are  
26 already exempt. This exemption will affect school buses which are  
27 owned by private operators and transport pupils under contract with  
28 school districts or nonpublic schools and buses owned and operated by  
29 nonpublic schools. The exemption also extends to buses that transport  
30 children to day camps, nursery schools, child care centers and similar  
31 educational facilities.

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37 Allows operators of school buses to obtain refunds of the motor fuels  
tax.