

HB 1810 -- Taxation

Sponsor: Cooper (120)

This bill changes the laws regarding sales and use, property, and motor fuel taxes. In its main provisions, the bill:

(1) Modifies the state sales and use tax exemption for the cost of all utilities, chemicals, machinery, equipment, and materials used in the manufacturing, processing, compounding, mining, or production of a product; the processing recovered materials; or the research and development related to manufacturing to include transportation development districts and local sales tax;

(2) Authorizes, beginning January 1, 2009, a property tax credit for expenses incurred to manufacture, maintain, or improve a freight line company's qualified rolling stock up to the amount of its tax liability. The state will annually reimburse a political subdivision for any loss in revenue; and

(3) Requires the Department of Revenue to simplify the motor fuel tax exemption process by reducing the administrative burden, reducing the time to receive a refund, and splitting the refund administrative burden between the fuel wholesaler/retailer and the tax exempt entity.