

# 2000 SESSION

INTRODUCED

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## HOUSE BILL NO. 123

Offered January 12, 2000

*A BILL to amend and reenact § 58.1-2106 of the Code of Virginia, relating to exemptions from the motor fuels tax.*

Patrons—Cantor and Cox

Referred to Committee on Finance

### **Be it enacted by the General Assembly of Virginia:**

#### **1. That § 58.1-2106 of the Code of Virginia is amended and reenacted as follows:**

§ 58.1-2106. Exemptions from tax.

A. Each dealer in motor fuels shall be exempt from the payment of any motor fuel taxes on such motor fuels:

1. Sold and delivered by a dealer in the Commonwealth to the Commonwealth or any political subdivision thereof for the exclusive use by the Commonwealth or any political subdivision thereof; or

2. Sold and delivered by a dealer in the Commonwealth to the United States or its departments, agencies and instrumentalities for the exclusive use by the United States or its departments, agencies and instrumentalities.

The term "exclusive use by the United States or its departments, agencies and instrumentalities" shall be construed to specifically exclude the use of such motor fuel by any person, whether operating under contract with the United States or its departments, agencies and instrumentalities or not, if the original purchase by such person from a dealer would have rendered the dealer liable for the payment of motor fuel taxes under the laws of this Commonwealth.

B. No tax shall be levied or collected pursuant to this article on a motor fuel used for the operation of aircraft by any nonprofit charitable organization which is exempt from taxation under § 501 (c) (3) of the Internal Revenue Code and which is organized and operated exclusively for the purpose of providing charitable, long-distance, advanced life-support, air ambulance services for low-income medical patients in the Commonwealth.

C. No tax shall be levied or collected pursuant to this article on a motor fuel used for the operation of any pleasure boat and watercraft used for recreational purposes when such fuel is purchased at the dock of a ship store or ship service store.

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