

AB 413: Reimbursement System Regulation Outline

Summary

The Department of Motor Vehicles is proposing regulations as required by the passage of AB413 in the 2013 Legislative Session.

AB413 authorizes the reimbursement of taxes paid on special fuels purchased in a county that imposes additional county taxes (index tax) by a person who uses special fuel in a motor vehicle operated or intended to operate interstate. Clark and Washoe County currently charge an index tax. However, other counties may impose an index tax upon voter approval in the 2016 General Election.

Note: special fuel purchases made in Washoe County are not currently eligible for reimbursement.

NRS 373.083 requires the Department of Motor Vehicles to adopt regulations “establishing a system to provide for the auditing of the records of a person who files such a return to determine whether the person is entitled to reimbursement of or owes any amounts pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or 373.0663.

Reimbursement Eligibility

These regulations authorize a person who uses special fuel in motor vehicles operated or intended to operate interstate to file a request for reimbursement of any amounts owed to the person pursuant to an agreement entered into pursuant to NRS 366.175 as a result of the imposition of any tax on special fuels pursuant to NRS 373.066 or 373.0663.

Assumption: NRS 373.083 [AB413 Sec. 1.7]

A person who uses special fuel in a motor vehicle operated or intended to operate...”SHALL FILE” is accomplished with their IFTA return.

For the purposes of these regulations a “person” is an interstate motor carrier.

Interstate motor carriers file an IFTA return for qualified vehicles only.

For the purposes of these regulations a “qualified vehicle” is:

- A vehicle with two axles and a gross vehicle weight over 26,000 pounds,
- A vehicle with three or more axles regardless of weight; and/or
- A vehicle that is one of a combination of vehicles when the Combined Gross Vehicle Weight (CGVW) exceeds 26,000 pounds.

Reimbursement Process

With the reimbursement request, motor carriers must provide evidence of IFTA returns filed. The return must include miles driven and gallons purchased in Nevada.

The Department of Motor Vehicles' Motor Carrier Division (MCD) will review the returns for reimbursement requests received.

For each reimbursement request, MCD will verify records for eligibility prior to any reimbursements issued.

The total amount of money which must be paid by any county in any fiscal year to reimburse any amounts owed to persons who use special fuel in motor vehicles operated or intended to operate interstate must not exceed 20 percent of the total amount of money collected by that county from any tax imposed on special fuels pursuant to NRS 373.066 or 373.0663.

The reimbursement system established by the Department does not apply to any tax imposed pursuant to NRS 373.066 during the term of any bonds outstanding on the effective date of AB413 secured by those taxes or of any bonds that refund such bonds provided that the term of the refunding bonds is not longer than the term of the refunded bonds.

Any reimbursement authorized by the Department shall be paid from only money received by a county pursuant to any tax imposed on special fuels pursuant to NRS 373.066 or 373.0663.

Miles

MCD will require a copy of a motor carrier's IFTA return/s for the reimbursement period.

MCD may require additional documents satisfactory to the Department to prove miles traveled.

Miles traveled inside the State of Nevada are not eligible for reimbursement.

Fuel Receipts

Fuel receipts will be required as follows:

- A copy of an unaltered receipt.
- The receipt must include qualified special fuel purchases in a Nevada County that charges a separate county index tax on special fuels.
- The receipt must meet the requirements set forth under the IFTA Articles of Agreement.

Reimbursement Filing Fee

A filing fee must be charged for each request for reimbursement filed in an amount not to exceed \$100; NRS 373.083(2).

The filing fee will be \$100.

The reimbursement filing fee shall be paid with payment types (credit cards, echecks, cash, checks, etc.) as accepted by the Department.

Issues such as dishonored payments, chargebacks, returned checks, and the incurred NRS additional fees and penalties will be processed according to current Department procedures.

Payment methods (online, field offices, mail-in) will be accepted in accordance with current Department procedures.

The filing fee is non-refundable.

The filing fee is due at the time of request for reimbursement. Reimbursements are subject to verification and eligibility.

The filing deadline will be a maximum of 12 months from the due date of the corresponding quarterly IFTA tax return (NRS 366.370).

Reimbursement requests shall be filed in quarterly increments, with a maximum of one year.