

Amend Sections 60604 and 60606 of the Diesel Fuel Tax Law to add the terms qualified highway vehicle operator, highway vehicle operator/fueler, pipeline operator, and vessel operator to the record sections of the Diesel Fuel Tax Law.

Source: Fuel Taxes Division

Under existing Diesel Fuel Tax Law, Section 60604 of the Revenue and Taxation Code requires every interstate user, supplier, exempt bus operator, government entity, ultimate vendor, highway vehicle operator, train operator, and every person dealing in, removing, transporting, or storing diesel fuel in this state to keep those records, receipts, invoices, and other pertinent papers with respect thereto in that form as the Board may require.

In addition, Section 60606 provides that the Board or its authorized representative may examine the books, records, and equipment of any interstate user, supplier, exempt bus operator, government entity, ultimate vendor, highway vehicle operator, train operator, or person dealing in, removing, transporting, or storing diesel fuel and may investigate the character of the disposition that the interstate user, supplier, exempt bus operator, government entity, ultimate vendor, highway vehicle operator, train operator, or person makes of the diesel fuel in order to ascertain whether all diesel fuel taxes due are being properly reported and paid.

In 2001, Assembly Bill 309 (Ch. 429, Longville) added the terms “qualified highway vehicle operator,” “highway vehicle operator/fueler,” “pipeline operator” and “vessel operator” to the Diesel Fuel Tax Law. However, those terms were inadvertently not included in Sections 60604 and 60606. Since a qualified highway vehicle operator, highway vehicle operator/fueler, pipeline operator, and vessel operator each deal in diesel fuel and file returns and reports, the record keeping sections were intended to specifically identify them.

This proposal would amend Sections 60604 and 60606 to clarify that a “qualified highway vehicle operator,” “highway vehicle operator/fueler,” “pipeline operator,” and “vessel operator” is required to maintain records and that the Board is authorized to examine the records of such persons, as specified, consistent with all other taxpayers under the Diesel Fuel Tax Law.

Section 60604 of the Revenue and Taxation code is amended to read:

60604. Every interstate user, supplier, exempt bus operator, government entity, ultimate vendor, qualified highway vehicle operator, highway vehicle operator/fueler, train operator, pipeline operator, vessel operator, and every person dealing in, removing, transporting, or storing diesel fuel in this state shall keep those records, receipts, invoices, and other pertinent papers with respect thereto in that form as the board may require. Failure to maintain records will constitute a misdemeanor punishable as provided in Section 60706.

Section 60606 of the Revenue and Taxation code is amended to read:

60606. The board or its authorized representative may examine the books, records, and equipment of any interstate user, supplier, exempt bus operator, government entity, ultimate vendor, qualified highway vehicle operator, highway vehicle operator/fueler, train operator, pipeline operator, vessel operator, or person dealing in, removing, transporting, or storing diesel fuel and may investigate the character of the disposition that the interstate user, supplier, exempt bus operator, government entity, ultimate vendor, qualified highway vehicle operator, highway vehicle operator/fueler, train operator, pipeline operator, vessel operator, or person makes of the diesel fuel in order to ascertain whether all taxes due under this part are being properly reported and paid.