



Fixing Our Streets

Administrative Code Change for Motor
Vehicle Fuels Tax.
City Council, November 9, 2016





Finalizing Administrative Details with ODOT

- In May, the voters of Portland put their trust in PBOT to deliver street repair and traffic safety projects through the collection of a Motor Vehicle Fuel Tax.
- Since May, we have been working with the Oregon Department of Transportation (ODOT) to finalize the administrative details of tax collection.



Current Heavy Vehicle Tax Exemption

- Heavy Vehicles (Oregon weight-mile tax payers) are exempt from the Motor Vehicle Fuels Tax and instead pay for their share of the Street Repair and Traffic Safety Program through the Heavy Vehicle Use Tax.
- Based on ODOT's recommendation, the original city code required that Heavy Vehicle operators first pay the tax and then apply for a refund of the tax amount.
- Oregon weight-mile tax payers requested a more efficient collection process.



Effect of Administrative Change

- PBOT is proposing minor administrative changes that will enable weight-mile tax payers to be exempt at the pump from the gas tax.
- This means Oregon weight-mile tax payers will not have to pay the tax up front and later apply for a refund.
- These changes will also make City Code Chapter 17.105 consistent with the Oregon Revised Statute (ORS) Chapter 319.



Proposed Administrative Changes

- The administrative changes to Chapter 17.105 that make it consistent with ORS 319 are:
 - Adjust the tax due date from the 25th of the month to the 20th of the month
 - Change the late penalty amount from 1% through the end of the month and then 10% additional if not paid by the 1st of the month, to 10% of the unpaid tax
 - Change the taxation point from the point of first sale to the when the fuel is placed into the fuel tank of a motor vehicle
 - Add a definition of Users that is consistent with ORS to the City of Portland code



Impacts of the Changes

- These changes will impact Oregon weight-mile tax payers by:
 - Making their exemption more efficient
- These changes will have no impacts on:
 - End payee of the tax
 - Timing of the tax
 - Amount of revenue raised
 - Administration costs of the tax