
ASSEMBLY BILL NO. 346—ASSEMBLYMAN CARPENTER
(BY REQUEST)

MARCH 17, 2003

Referred to Committee on Transportation

SUMMARY—Revises provisions governing operation or maintenance of vehicles on highways in this state using dyed special fuel. (BDR 32-180)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

~

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to taxation; authorizing the operation or maintenance of heavy-duty equipment on a highway in this state using dyed special fuel under certain circumstances; revising the circumstances under which special mobile equipment may be operated or maintained on a highway in this state using dyed special fuel; authorizing the operation and maintenance of farm equipment on a controlled-access highway using dyed special fuel; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** Chapter 366 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.
3 **Sec. 2. 1. “Heavy-duty equipment” means any self-**
4 ***propelled machinery or motor vehicle that:***
5 ***(a) Is used exclusively or in part by the owner thereof in the***
6 ***ordinary course of his business; and***
7 ***(b) Has a minimum declared gross weight established by the***
8 ***Department.***
9 **2. The term does not include:**
10 ***(a) Farm equipment as defined in NRS 366.203.***



1 **(b) Special mobile equipment.**
2 **Sec. 3. 1.** *An owner of heavy-duty equipment may apply to*
3 *the Department for a permit to operate or maintain that equipment*
4 *on a highway in this state using special fuel which has been dyed.*

5 **2.** *The Department may charge a fee for issuing the permit in*
6 *an amount not to exceed the administrative costs of issuing the*
7 *permit.*

8 **3.** *In addition to any fee charged pursuant to subsection 2,*
9 *the Department shall, before issuing a permit, collect an amount*
10 *equal to the tax that would have been imposed pursuant to NRS*
11 *366.190 had the heavy-duty equipment been operated or*
12 *maintained using special fuel that had not been dyed.*

13 **4. The permit:**
14 **(a)** *Must be in a form to be determined by the Department.*
15 **(b)** *Expires at 5 p.m. on the 10th day after its issuance.*
16 **(c)** *Must bear the date of its expiration.*
17 **(d)** *Must indicate the starting and ending points of the distance*
18 *to be traveled.*
19 **(e)** *Must be affixed to the heavy-duty equipment in a manner*
20 *to be determined by the Department.*

21 **(f)** *Must be removed or destroyed upon its expiration.*

22 **Sec. 4.** NRS 366.203 is hereby amended to read as follows:
23 366.203 1. Special fuel, other than compressed natural gas,
24 liquefied petroleum gas or kerosene, which is exempt from the tax
25 pursuant to subsection 3 or 4 of NRS 366.200 must be dyed before it
26 is removed for distribution from a rack. The dye added to the
27 exempt special fuel must be of the color and concentration required
28 by the regulations adopted by the Secretary of the Treasury pursuant
29 to 26 U.S.C. § 4082.

30 2. Except as otherwise provided in subsections 3 and 4, a
31 person shall not operate or maintain on any highway in this state a
32 motor vehicle which contains in the fuel tank of that vehicle special
33 fuel which has been dyed.

34 3. A person who, pursuant to subsection 2, 3 or 4 of NRS
35 366.200 , is exempt from the tax imposed by this chapter ~~§~~ may
36 operate or maintain a motor vehicle on a highway in this state which
37 contains in the fuel tank of that vehicle special fuel which has been
38 dyed.

39 4. ~~[A]~~ *To the extent permitted by federal law, a* person may
40 operate or maintain on a highway in this state any ~~[special mobile~~
41 ~~equipment or farm]~~ :

42 **(a)** *Farm* equipment that contains in the fuel tank of the ~~[special~~
43 ~~mobile equipment or]~~ farm equipment special fuel which has been
44 dyed. As used in this ~~[subsection]~~



1 ~~—(a) “Farm]~~ *paragraph, “farm* equipment” means any self-
2 propelled machinery or motor vehicle that is designed solely for
3 tilling soil or for cultivating, harvesting or transporting crops or
4 other agricultural products from a field or other area owned or
5 leased by the operator of the farm equipment and in which the crops
6 or agricultural products are grown, to a field, yard, silo, cellar, shed
7 or other facility which is:

8 (1) Owned or leased by the operator of the farm equipment;
9 and

10 (2) Used to store or process the crops or agricultural
11 products.

12 The term includes a tractor, baler or swather or any implement used
13 to retrieve hay.

14 (b) ~~["Highway” does not include a controlled access highway as~~
15 ~~defined in NRS 484.041.]~~ *Special mobile equipment that contains*
16 *in the fuel tank of the special mobile equipment special fuel which*
17 *has been dyed if the distance traveled on the highway does not*
18 *exceed a maximum allowable distance established by the*
19 *Department.*

20 (c) *Heavy-duty equipment that contains in the fuel tank of the*
21 *heavy-duty equipment special fuel which has been dyed if:*

22 (1) *The heavy-duty equipment is being moved:*

23 (I) *From one location at the owner’s place of business to*
24 *another location at the owner’s place of business; or*

25 (II) *To service or repair the heavy-duty equipment; and*

26 (2) *A permit has been issued by the Department pursuant to*
27 *section 3 of this act for the movement of the heavy-duty*
28 *equipment.*

29 5. There is a rebuttable presumption that all special fuel which
30 has not been dyed and which is sold or distributed in this state is for
31 the purpose of propelling a motor vehicle.

32 **Sec. 5.** This act becomes effective on July 1, 2003.

