WEST VIRGINIA LEGISLATURE
FIRST REGULAR SESSION, 2005

ENROLLED

House Bill No. 3211
(By Delegates Amores, Browning, Staton, Craig and G. White)

Passed April 9, 2005
In Effect Ninety Days from Passage
AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article, designated §47-17-1, relating to providing that a purchaser of motor fuel may by contract delay payment of reimbursement of federal taxes due on the motor fuel purchase to the vendor until one day before the federal taxes are due from the vendor.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new article, designated §47-17-1, to read as follows:

ARTICLE 17. REGULATION OF MOTOR FUEL CONTRACTS.

§47-17-1. Contracts for the payment of manufactures’ excise taxes.

(a) If a contract requires one party to reimburse another party for taxes levied under Part III of Subchapter A of Chapter
32 of the federal Internal Revenue Code, the party making the
reimbursement, at its option, shall not be required to reimburse
the other party more than one business day before the other
party is required to remit the taxes to the Internal Revenue
Service.

(b) If a party chooses to exercise its option under subsection
(a) of this section, and provision is not already provided in the
contract, the party shall notify the other party in writing of its
intention. The option may not be exercised until at least thirty
days after the written notification or the beginning of the next
federal tax quarter, whichever is later.

(c) The party to be reimbursed under subsection (a) of this
section may require security from the reimbursing party for the
payment of the taxes in proportion to the amount the taxes
represent compared to the security required on the contract as
a whole. The party to be reimbursed shall not change other
payment terms of the contract due to the timing of the tax
reimbursement, but may require the taxes to be reimbursed by
electronic transfer of funds.

(d) This section applies to all continuing contracts now in
effect that have no expiration date and all contracts entered into
or renewed after the effective date of this section as enacted in
two thousand five.
That Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

[Signature]
Chairman House Committee

Originating in the House.

In effect ninety days from passage.

Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

Speaker of the House of Delegates

The within was approved this the ___ day of May, 2005.

Governor