

Truckers want to change tax system

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For the fourth consecutive year the Idaho Motor Transport Association plans to sponsor legislation that would repeal the existing truck ton-mile tax and replace it with an increased annual registration fee law, says Rep. John O. Sessions, R-Driggs.

Sessions, chairman of the House Highway Transportation Committee, said each year that effort has failed either in committee or has been defeated by the House or Senate.

This package, labeled the Transportation Revenue Assurance Bill, will guarantee the state's current income for road maintenance in future years, said Paul W. Sudmeier, Nampa, spokesman for the IMTA. He said the tax is important to trucking companies as well as to any Idaho business shipping commodities or finished goods by truck.



John O. Sessions

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The association said the ton-mile tax is easy to evade and invites retaliation from states that don't charge it. More than 7,600 registered carriers do not pay mileage and everyone pays it on the honor system, the association said. Sudmeier said the state has the power to audit companies to enforce the law.

Sessions said commercial carriers pay an annual registration fee plus a mills per mile tax based on gross vehicle weight, multiplied by the number of miles traveled. Quarterly reports must be filed with the state, indicating number of miles traveled and taxes must be submitted accordingly.

"As an example," said Sessions, "a truck operator whose rig had a gross weight of 80,000 pounds would pay an annual registration fee of \$120 and in addition would pay a ton-mile tax of 44.90 mills per mile traveled, or \$44.90 for each 1,000 miles."

Truck operators are required to pay the 14½-cent-per-gallon fuel tax.

Sessions said that for the past two years the IMTA, the Idaho Transportation Department and the Western Highway Institute, a research arm of the trucking industry, have

studied Idaho trucks according to weights and classifications.

The study is seeking to determine what the appropriate annual registration fee should be for each category of truck, according to gross weights and type of carrier. The objective is to provide the same number of total highway dollars as are generated under the present system.

Under the terms of the legislation introduced by IMTA during the 1985 session, an 80,000-pound rig would pay an annual registration fee of \$1,623, regardless of the number of miles traveled, Sessions said. Requirements for quarterly mileage reporting would be eliminated.

"Actually," said Sessions, "the basic major objection in the past to this legislation has been the fact that registration fees for commercial and certain non-commercial carriers would be the same by categories. This would apply whether or not that truck may travel 100,000 miles per year or even more."

Sessions said the estimated break-even point is 33,500 miles per year. Long-distance haulers would compensate partially for this difference

through the additional fuel purchases.

Sessions said indications are that during the 1986 session IMTA will introduce legislation proposing the higher annual registration fee, plus a 2½ tax per gallon increase on diesel fuels. The additional tax on diesel would be tied to the Gross National Product and could be adjusted quarterly by the Idaho Transportation Department as economic indicators fluctuate.

Some of the additional problems would be administration and collection of diesel taxes, said Sessions. He said certain trucks would pay 17 cents per gallon, while cars, pickups and smaller trucks would pay only 14½. There also could be problems in the exempt categories, such as ready-mix and aggregate haulers, custom farming and hauling for hire, Sessions said.

"Whether or not IMTA is able to draft legislation that would resolve these and other problems remains to be seen," said Sessions. "However, all reasonable proposals will be given fair consideration by the transportation committee."