

110TH CONGRESS
2D SESSION

H. R. 6634

To amend the Internal Revenue Code of 1986 to allow dyed diesel to be sold in rural areas for use in highway vehicles.

IN THE HOUSE OF REPRESENTATIVES

JULY 29, 2008

Mr. HILL introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to allow dyed diesel to be sold in rural areas for use in highway vehicles.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. DYED DIESEL SOLD IN RURAL AREAS FOR USE**

4 **IN HIGHWAY VEHICLES.**

5 (a) IN GENERAL.—Paragraph (1) of section 4041(a)
6 of the Internal Revenue Code of 1986 (relating to tax on
7 diesel fuel and kerosene in certain cases) is amended by
8 adding at the end the following new subparagraph:

1 “(D) EXCEPTION FOR FUEL SOLD IN
2 RURAL AREAS FOR USE IN HIGHWAY VEHI-
3 CLES.—

4 “(i) IN GENERAL.—Subparagraph (A)
5 shall not apply to any liquid sold in a rural
6 area to any operator of a diesel-powered
7 highway vehicle for use as a fuel in such
8 vehicle.

9 “(ii) EXCEPTION.—Clause (i) shall
10 not apply to any sale for use in a vehicle
11 which has a gross vehicle weight of 25,000
12 pounds or more.

13 “(iii) RURAL AREA.—For purposes of
14 this subparagraph, the term ‘rural area’
15 means any area other than—

16 “(I) a city or town that has a
17 population of greater than 50,000 in-
18 habitants,

19 “(II) any urbanized area (as de-
20 fined by the Bureau of the Census)
21 contiguous and adjacent to a city or
22 town described in subclause (I), and

23 “(III) any collection of census
24 blocks contiguous to each other (as

1 defined by the Bureau of the Census)
2 that—

3 “(aa) is adjacent to a city or
4 town described in subclause (I)
5 or an urbanized area described in
6 subclause (II), and

7 “(bb) has a housing density
8 that the Secretary estimates is
9 greater than 200 housing units
10 per square mile.

11 “(iv) TERMINATION.—Clause (i) shall
12 not apply to any sale after 1 year after the
13 date of the enactment of this subpara-
14 graph.”.

15 (b) EFFECTIVE DATE.—The amendment made by
16 subsection (a) shall apply to sales after the date of the
17 enactment of this Act.

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