

106TH CONGRESS  
1ST SESSION

# H. R. 2423

To amend the Internal Revenue Code of 1986 to repeal the motor fuel excise taxes on intercity buses.

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## IN THE HOUSE OF REPRESENTATIVES

JULY 1, 1999

Mr. CAMP (for himself and Mr. NEAL of Massachusetts) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to repeal the motor fuel excise taxes on intercity buses.

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. REPEAL OF MOTOR FUEL EXCISE TAXES ON**  
4 **INTERCITY BUSES.**

5 (a) REPEAL OF REDUCTION OF REFUND.—Sub-  
6 section (b) of section 6427 of the Internal Revenue Code  
7 of 1986 (relating to fuels not used for taxable purposes)  
8 is amended by striking paragraph (2) and by redesignig-  
9 nating paragraph (3) as paragraph (2).

10 (b) REPEAL OF HIGHER RATES OF TAX.—

1           (1) Clause (iii) of section 4041(a)(1)(C) of such  
2 Code is amended to read as follows:

3                   “(iii) EXEMPTION FROM TAX FOR  
4                   CERTAIN BUSES.—No tax shall be imposed  
5                   by this paragraph on any fuel sold for use  
6                   or used in a use described in section  
7                   6427(b)(1) (after the application of section  
8                   6427(b)(2)).”

9           (2) Subparagraph (B) of section 4041(a)(3) of  
10 such Code is amended to read as follows:

11                   “(B) BUS USES.—No tax shall be imposed  
12                   by this paragraph on any sale for use, or use—

13                           “(i) in an automobile bus while en-  
14                           gaged in transportation described in sec-  
15                           tion 6427(b)(1)(B), or

16                           “(ii) in any qualified local bus while  
17                           engaged in furnishing (for compensation)  
18                           intracity passenger land transportation—

19                                   “(I) which is available to the gen-  
20                                   eral public, and

21                                   “(II) which is scheduled and  
22                                   along regular routes.

23                   “For purposes of this subparagraph, the term  
24                   ‘qualified local bus’ means any local bus which  
25                   has a seating capacity of at least 20 adults (not

1 including the driver) and which is under con-  
2 tract (or is receiving more than a nominal sub-  
3 sidy) from any State or local government (as  
4 defined in section 4221(d)) to furnish such  
5 transportation.”

6 (c) EFFECTIVE DATE.—The amendments made by  
7 this section shall take effect on the date of the enactment  
8 of this Act.

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