

104TH CONGRESS
1ST SESSION

S. 478

To amend the Internal Revenue Code of 1986 to allow the taxable sale or use, without penalty, of dyed diesel fuel with respect to recreational boaters.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 27 (legislative day, FEBRUARY 22), 1995

Mr. BREAU (for himself and Mr. CHAFEE) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to allow the taxable sale or use, without penalty, of dyed diesel fuel with respect to recreational boaters.

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. PENALTY-FREE TAXABLE SALE OR USE OF**
4 **DYED DIESEL FUEL WITH RESPECT TO REC-**
5 **REATIONAL BOATERS.**

6 (a) IN GENERAL.—Section 6714 of the Internal Rev-
7 enue Code of 1986 (relating to dyed fuel sold for use or
8 used in taxable use, etc.), as added by section 13242(b)(1)
9 of the Omnibus Budget Reconciliation Act of 1993, is

1 amended by redesignating subsections (c) and (d) as sub-
2 sections (d) and (e), respectively, and by inserting after
3 subsection (b) the following new subsection:

4 “(c) EXCEPTION.—No penalty shall be imposed
5 under subsection (a) on any person who—

6 “(1) sells or holds for sale dyed fuel for use in,
7 or uses dyed fuel in, any diesel-powered boat, and

8 “(2) pays the tax imposed on such sale or use
9 under section 4041(a)(1)(A).”.

10 (b) TECHNICAL AMENDMENTS.—

11 (1) Part II of subchapter B of chapter 68 of
12 the Internal Revenue Code of 1986 is amended by
13 redesignating section 6714 (relating to dyed fuel
14 sold for use or used in taxable use, etc.), as added
15 by section 13242(b)(1) of the Omnibus Budget Rec-
16 onciliation Act of 1993, as section 6715.

17 (2) The table of sections for such part is
18 amended by redesignating the item relating to sec-
19 tion 6714 (relating to dyed fuel sold for use or used
20 in taxable use, etc.), as added by section
21 13242(b)(2) of such Act, as section 6715.

22 (c) EFFECTIVE DATE.—The amendments made by
23 this section shall take effect as if included in the amend-

- 1 ments made by section 13242(b) of the Omnibus Budget
- 2 Reconciliation Act of 1993.

