

committee amendments? Senator Hefner.

SENATOR HEFNER: Madam President, and members of the body, I believe I can support most of this bill. I don't know if I know what is all in it. If Senator Warner would yield to a question, I would like to ask him a question on the special fuels section of this bill.

PRESIDENT MOUL: Senator Warner.

SENATOR WARNER: Pardon.

SENATOR HEFNER: Senator Warner, in the special fuels section of this bill, could you just run us through that. Will the jobber be receiving this special fuel tax exempt?

SENATOR WARNER: The best if I can explain it, Senator Hefner, there is a system developed with this of a credit type of system where the retailer will be certified with a credit of that amount of fuel that they have sold to tax exempt customers, and then through the chain up to the supplier, the exporter, the importer, rather, or I guess the wholesale, might be more understandable to us, that that credit system will be in a process that as the bills are due within the payment dates, there is actually no exchange of funds, and then the exporter at the point will be paying the state the amount of tax that would have been due on the fuel that was sold, special fuels that were sold for exempt or sold for taxable purposes. But it does not require payment of those taxes because of the payment system, it will be a credit system that will check it off.

SENATOR HEFNER: Okay, will that state tax be paid then as soon as that importer imports it?

SENATOR WARNER: There is actually a delay, as I understand, at the time the tax is paid, that the importer will not be paying, because of the sequence of events, would not be paying out of his own pocket, if that's how I am following your question, for any tax that was due.

SENATOR HEFNER: Okay, well, as it is now, the jobber buys it tax exempt and, of course, special fuel is about the same thing as metal distillates and you use that for different uses. One use could be for diesel fuel for farm tractors, which would be tax exempt. Another one would be stove fuel to heat a person's