

**SUBSTITUTE FOR
HOUSE BILL NO. 5572**

A bill to amend 2000 PA 403, entitled
"Motor fuel tax act,"
by amending section 154 (MCL 207.1154), as amended by 2015 PA 176.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 154. (1) For the purpose of determining the amount of tax
2 payable to the department, an alternative fuel dealer shall, on or
3 before the twentieth day of each month, file with the department on
4 a form or in a format prescribed by the department a report that
5 includes the number of gallons or gallon equivalents, if
6 applicable, of alternative fuel used by the alternative fuel dealer
7 during the preceding calendar month, together with any other
8 information the department may require. An alternative fuel dealer
9 shall pay to the department at the time of filing the report the

1 full amount of the tax owed.

2 (2) Beginning on January 1, 2017, for the purpose of
3 determining the amount of tax owed to the department, an
4 alternative fuel commercial user that uses alternative fuel as
5 described in section 151(j) upon which the tax imposed under
6 section 152 has not been collected by or paid to an alternative
7 fuel dealer shall, on or before the twentieth day of each month,
8 file with the department a report that includes the number of
9 gallons or gallon equivalents, if applicable, of the alternative
10 fuel described in this subsection that was used or consumed by the
11 alternative fuel commercial user during the preceding calendar
12 month, together with any other information the department requires.
13 An alternative fuel commercial user shall pay the full amount of
14 the tax due to the department at the time of filing the required
15 report. **NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS ACT, AN
16 ALTERNATIVE FUEL COMMERCIAL USER MAY REPORT AND PAY THE TAX IMPOSED
17 UNDER SECTION 152 ON COMPRESSED NATURAL GAS BASED ON A GALLON
18 EQUIVALENT EQUAL TO 6.384 POUNDS OR 142.78 CUBIC FEET AT 60 DEGREES
19 FAHRENHEIT AND 1 ATMOSPHERE OF PRESSURE IF ALL OF THE FOLLOWING
20 CONDITIONS ARE MET:**

21 (A) THE COMPRESSED NATURAL GAS WAS PLACED INTO THE FUEL SUPPLY
22 TANK OF A MOTOR VEHICLE OWNED BY THE ALTERNATIVE FUEL COMMERCIAL
23 USER THROUGH THE USE OF AN ALTERNATIVE FUEL FILLING STATION.

24 (B) THAT THE ALTERNATIVE FUEL FILLING STATION DESCRIBED IN (A)
25 IS OWNED OR LEASED BY THE ALTERNATIVE FUEL COMMERCIAL USER, IS
26 LOCATED AT THE PLACE OF BUSINESS OF THE ALTERNATIVE FUEL COMMERCIAL
27 USER, AND IS UNAVAILABLE FOR PUBLIC USE.

1 (C) THE MOTOR VEHICLE DESCRIBED IN (A) IS NOT ANY OF THE
2 FOLLOWING:

3 (i) SUBJECT TO THE INTERNATIONAL FUEL TAX AGREEMENT DESCRIBED
4 IN SECTION 2A OF THE MOTOR CARRIER FUEL TAX ACT, 1980 PA 119, MCL
5 207.212A.

6 (ii) REQUIRED TO HAVE A DECAL AFFIXED TO THE CAB UNDER SECTION
7 5 OF THE MOTOR CARRIER FUEL TAX ACT, 1980 PA 119, MCL 207.215.

8 (iii) OPERATED UNDER A TRIP PERMIT ISSUED BY THE DEPARTMENT
9 UNDER SECTION 7 OF THE MOTOR CARRIER FUEL TAX ACT, 1980 PA 119, MCL
10 207.217.

11 (3) Beginning on January 1, 2018, for the purpose of
12 determining the amount of tax owed to the department, a person that
13 is not an alternative fuel dealer or an alternative fuel commercial
14 user shall pay the tax imposed under section 152 on alternative
15 fuel placed into a motor vehicle fuel supply tank from an
16 alternative fuel filling station for which the tax has not been
17 collected by or paid to an alternative fuel dealer, and shall file
18 with the department on or before the twentieth day following the
19 end of each quarter a form that indicates the number of gallons or
20 gallon equivalents, if applicable, used or consumed by that person
21 during the preceding calendar quarter. A person described in this
22 subsection shall pay to the department the full amount of the tax
23 due at the time of filing the required form.

24 (4) Except as otherwise provided in this section, a person
25 that uses alternative fuel for a taxable purpose and does not pay
26 the tax imposed under this section shall pay to the department the
27 tax imposed under section 152, along with any applicable penalties

1 or interest, at the time and in the manner prescribed by the
2 department.

3 Enacting section 1. This amendatory act takes effect January
4 1, 2017.