

HOUSE BILL No. 5721

March 31, 1992, Introduced by Reps. Bartnik, Hertel, Alley, Baade, Gnodtke, Middaugh, Gernaat, Willis Bullard, Porreca, Anthony, Weeks, Olshove, Palamara, Brackenridge, Nye, Oxender, DeMars, Dobronski, Joe Young, Jr., Kosteva, DeBeaussaert, Van Singel, Bodem, Munsell, Hoffman, Trim, Stopczynski, Bobier, Muxlow, Jaye, Middleton, Hoekman, Gagliardi, Horton, Jamian, Niederstadt, Emerson, Byrum, Dobb and London and referred to the Committee on Transportation.

A bill to amend section 22 of Act No. 150 of the Public Acts of 1927, entitled as amended

"An act to prescribe a privilege tax for the use of the public highways by owners and drivers of motor vehicles by imposing a specific tax upon the sale or use, within the state of Michigan, of motor fuel; to prescribe the manner and the time of paying this tax and the duties of officials and others respecting the payment and collection of this tax; to provide for the licensing of wholesale distributors and the registration of retail dealers as defined in this act; to fix a time when this tax and interest and penalties thereon become a lien upon the property of persons, firms, associations, or corporations, subject to the payment of this tax; to provide for the enforcement of this lien; to permit the inspection and testing of petroleum products; to provide for certain exemptions and refunds and for the disposition of the proceeds of this tax; and to prescribe penalties for the violation of this act,"

as amended by Act No. 437 of the Public Acts of 1982, being section 207.122 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 22 of Act No. 150 of the Public Acts of
2 1927, as amended by Act No. 437 of the Public Acts of 1982, being

1 section 207.122 of the Michigan Compiled Laws, is amended to read
2 as follows:

3 Sec. 22. (1) A specific tax at a rate of cents per gallon
4 equal to the rate per gallon imposed under section 2(1) is
5 imposed upon all diesel motor fuel sold or used in producing or
6 generating power for propelling motor vehicles used upon the
7 public roads and highways in this state. The tax shall be paid
8 at those times, in the manner, and by those persons specified in
9 this act.

10 (2) There ~~shall be~~ IS allowed a discount of 6 cents per
11 gallon of the tax imposed pursuant to subsection (1) if the
12 diesel motor fuel is delivered into the fuel supply tanks of
13 either a commercial motor vehicle licensed under the motor car-
14 rier fuel tax act, Act No. 119 of the Public Acts of 1980, being
15 sections 207.211 to ~~207.236~~ 207.235 of the Michigan Compiled
16 Laws. ~~, or a commercial motor vehicle for which a license is~~
17 ~~waived during the period from the effective date of Act No. 119~~
18 ~~of the Public Acts of 1980 until August 1, 1980.~~ This subsection
19 ~~shall expire on~~ APPLIES UNTIL the date on which ~~the motor car-~~
20 ~~rier fuel tax act expires or~~ ACT NO. 119 OF THE PUBLIC ACTS OF
21 1980 is repealed.

22 (3) The tax on diesel motor fuel sold and delivered in this
23 state by the seller into the fuel supply tanks of motor vehicles
24 shall be collected by the seller from the purchaser and paid over
25 monthly to the department of treasury. The department may permit
26 any seller of diesel motor fuel to report and pay to the
27 department the tax on diesel motor fuel delivered into a storage

1 facility of a user or a dealer which will be used in producing or
2 generating power for propelling motor vehicles used upon the
3 public roads and highways in this state. Persons operating pas-
4 senger vehicles of a capacity of 10 or more under a certificate
5 of public convenience and necessity issued by the Michigan public
6 service commission, or under a municipal franchise, license,
7 permit, agreement, or grant, respectively, and operating over
8 regularly traveled routes expressly provided for in the certifi-
9 cate of convenience and necessity, or municipal license, permit,
10 agreement, or grant, shall be entitled to a refund of the tax
11 paid thereon, under the rules prescribed by the department of
12 treasury. Refunds provided for under this section to a state
13 certificated operator of an intercity motor bus, shall apply only
14 to those gallons of diesel motor fuel producing mileage traveled
15 by each intercity motor bus over regular routes or on charter
16 trips or portions of charter trips within this state. The tax on
17 diesel motor fuel delivered in this state into the storage of a
18 user or acquired by a user in any manner, other than by delivery
19 into the fuel supply tank of a motor vehicle by a duly licensed
20 dealer, shall upon the use thereof be paid monthly by the user to
21 the department of treasury. A tax is not imposed under this act,
22 nor shall a tax be collected by a dealer, on fuel used in motor
23 vehicles owned by or leased and operated by a political subdivi-
24 sion of this state, or motor vehicles owned and operated by this
25 state or the federal government.

26 (4) A PURCHASER OF DIESEL MOTOR FUEL FOR USE IN CONCRETE
27 READY-MIX TRUCKS MAY CREDIT AGAINST THE TAX IMPOSED PURSUANT TO

1 SUBSECTION (1) AN AMOUNT EQUAL TO 50% OF THE TAX IMPOSED PURSUANT
2 TO SUBSECTION (1) FOR OFF THE ROAD USE. THE CREDIT SHALL BE
3 TAKEN EACH MONTH WHEN THE TAX IS PAID.