

# HOUSE BILL No. 6019

April 27, 2006, Introduced by Reps. Farrah, Hopgood, Plakas, Clemente and Kathleen Law  
and referred to the Committee on Tax Policy.

A bill to amend 2000 PA 403, entitled  
"Motor fuel tax act,"  
by amending section 8 (MCL 207.1008), as amended by 2002 PA 668.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 8. (1) Subject to the exemptions provided for in this  
2 act, tax is imposed on motor fuel imported into or sold, delivered,  
3 or used in this state at the following rates:

4       (a) ~~Nineteen~~ **EXCEPT AS PROVIDED IN SUBDIVISION (C), 19** cents  
5 per gallon on gasoline.

6       (b) ~~Fifteen~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBDIVISION (C),**  
7 15 cents per gallon on diesel fuel.

8       (c) **A TAX SHALL NOT BE IMPOSED ON GASOLINE THAT IS AT LEAST**  
9 **85% ETHANOL OR ON DIESEL FUEL THAT CONTAINS AT LEAST 5% BIODIESEL.**

10       (2) Tax shall not be imposed under this section on motor fuel  
11 that is in the bulk transfer/terminal system.

12       (3) The collection, payment, and remittance of the tax imposed

1 by this section shall be accomplished in the manner and at the time  
2 provided for in this act.

3 (4) Tax is also imposed at the rate described in subsection  
4 (1)(a) or (b) on net gallons of motor fuel, including transmix,  
5 lost or unaccounted for, at each terminal in this state. The tax  
6 shall be measured annually and shall apply to the net gallons of  
7 motor fuel lost or unaccounted for that are in excess of 1/2 of 1%  
8 of all net gallons of fuel removed from the terminal across the  
9 rack or in bulk.

10 (5) It is the intent of this act:

11 (a) To require persons who operate a motor vehicle on the  
12 public roads or highways of this state to pay for the privilege of  
13 using those roads or highways.

14 (b) To impose on suppliers a requirement to collect and remit  
15 the tax imposed by this act at the time of removal of motor fuel  
16 unless otherwise specifically provided in this act.

17 (c) To allow persons who pay the tax imposed by this act and  
18 who use the fuel for a nontaxable purpose to seek a refund or claim  
19 a deduction as provided in this act.

20 (d) That the tax imposed by this act be collected and paid at  
21 those times, in the manner, and by those persons specified in this  
22 act.