

HOUSE BILL No. 4305

February 21, 2013, Introduced by Reps. McCann, Ananich, Slavens, Irwin, Cavanagh and Townsend and referred to the Committee on Transportation and Infrastructure.

A bill to amend 2000 PA 403, entitled
"Motor fuel tax act,"
by amending sections 14, 82, and 87 (MCL 207.1014, 207.1082, and 207.1087).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 14. (1) The department may require a supplier required to
2 remit tax under this act to remit the tax by an electronic funds
3 transfer acceptable to the department. The remittance shall be made
4 on or before the date the tax is due.

5 (2) ~~In~~ **UNTIL OCTOBER 1, 2013, IN** computing the tax, a supplier
6 may deduct 1.5% of the quantity of gasoline removed by the supplier
7 to allow for the cost of remitting the tax. This deduction is not
8 allowed for the quantity of gasoline removed by the supplier and
9 sold tax-free. At the time of filing the report and paying the tax,
10 the supplier shall submit satisfactory evidence to the department

1 that the amount of tax represented by the deduction was paid or
2 credited to the supplier or wholesaler who purchased the gasoline
3 from the supplier or wholesaler. The amount of the deduction shall
4 be paid or credited by each supplier or wholesaler to the purchaser
5 at each subsequent sale to a wholesaler. When a wholesaler or
6 supplier sells gasoline to a retailer, the wholesaler or supplier
7 shall pay or credit to the retailer 1/3 of the deduction on
8 quantities sold to that retailer. **A SUPPLIER SHALL NOT TAKE A**
9 **DEDUCTION UNDER THIS SUBSECTION ON OR AFTER OCTOBER 1, 2013.**

10 Sec. 82. (1) A person shall not import into this state motor
11 fuel acquired from a bulk plant in another state by a tank wagon
12 unless licensed as a tank wagon operator-importer under this act.

13 (2) Licensure as a tank wagon operator-importer under this act
14 is not authorization to acquire nonexempt motor fuel free of the
15 tax imposed by this act at a terminal either within this state or
16 outside of this state for direct delivery to a location within this
17 state.

18 (3) A person who is licensed as an importer under section 76
19 may operate as a tank wagon operator-importer without the license
20 required by this section if the person also operates 1 or more bulk
21 plants outside of this state.

22 (4) The fee for a tank wagon operator-importer license is
23 \$50.00.

24 (5) A tank wagon operator-importer shall file with the
25 department a quarterly report of operations within this state and
26 any other information concerning the source state and the method of
27 transportation of motor fuel as the department may require on forms

1 or in a format prescribed by the department. A person who knowingly
2 violates or knowingly aids and abets another to violate this
3 subsection is guilty of a misdemeanor.

4 (6) A tank wagon operator-importer shall report the total
5 number of gallons of motor fuel imported but shall take a deduction
6 against motor fuel shown on its quarterly report for the number of
7 gallons of dyed diesel fuel that were removed from a terminal or
8 refinery destined for delivery to a point in this state as shown on
9 the shipping paper.

10 (7) A tank wagon operator-importer who is liable for the tax
11 imposed by this act on nonexempt motor fuel imported by a tank
12 wagon on which tax has not previously been paid to a supplier,
13 shall remit the tax for a particular quarter's import activities
14 with its quarterly report of activities on or before the twentieth
15 day of the month following the close of the reporting period.

16 (8) A licensed tank wagon operator-importer may retain the
17 collection administration allowance provided for in section 14 **FOR**
18 **TAXES REMITTED BEFORE OCTOBER 1, 2013.**

19 Sec. 87. (1) If an exporter diverts motor fuel removed from a
20 terminal in this state from an intended destination outside this
21 state as shown on the terminal-issued shipping papers to a
22 destination within this state, the exporter shall obtain a fuel
23 diversion number and pay to the department the tax imposed on that
24 motor fuel by section 8.

25 (2) An exporter required to pay tax under this section shall
26 provide notice and pay the tax upon the same terms and conditions
27 as if the exporter were an occasional importer licensed under

1 section 76 without deduction for the allowances provided by section
2 14.

3 (3) For purposes of this section, an exporter who has
4 purchased motor fuel from a licensed supplier may enter into an
5 agreement with the supplier to permit the supplier to assume the
6 exporter's liability and adjust the exporter's taxes that are
7 payable to the supplier. The supplier shall provide a copy of the
8 agreement to the department at the time the supplier files its
9 monthly report. ~~The~~ **AT A MINIMUM, THE** agreement shall include ~~at a~~
10 ~~minimum~~ **ALL OF** the following information:

11 (a) The names of the parties to the agreement.

12 (b) The date the agreement was entered into.

13 (c) The type of motor fuel involved.

14 (d) The number of gallons of motor fuel involved.

15 (4) If an exporter withdraws and exports from a bulk plant in
16 this state motor fuel as to which the tax imposed by this act has
17 previously been paid or accrued, the exporter may apply for and ~~the~~
18 **THIS** state shall issue a refund of the tax upon a showing of proof
19 of export and payment of the tax satisfactory to the department.

20 (5) If a diversion from a destination in this state to another
21 state does not violate state or federal law, the diversion relief
22 provisions ~~set forth~~ in section 108 ~~shall~~ apply, and an unlicensed
23 exporter diverting the product may apply for a refund from the
24 department as provided in this act. The allowance provided for in
25 section 14 shall be deducted from the refund allowed under this
26 subsection **FOR TAXES REMITTED BEFORE OCTOBER 1, 2013. AN ALLOWANCE**
27 **SHALL NOT BE DEDUCTED FOR TAXES REMITTED ON OR AFTER OCTOBER 1,**

1 2013.

2 (6) A licensee required to file a report under this act may
3 take a credit for diversions directed by that licensee for its own
4 account.