

HOUSE BILL No. 5933

November 12, 2014, Introduced by Rep. Shirkey and referred to the Committee on Transportation and Infrastructure.

A bill to amend 2000 PA 403, entitled
"Motor fuel tax act,"
by amending sections 22, 40, 53, 63, 151, 152, 153, 154, and 155
(MCL 207.1022, 207.1040, 207.1053, 207.1063, 207.1151, 207.1152,
207.1153, 207.1154, and 207.1155).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 22. (1) The tax imposed on gasoline shall be in lieu of
2 all other taxes imposed or to be imposed upon the sale or use of
3 gasoline by ~~the~~ **THIS** state or any political subdivision of this
4 state except for the taxes imposed by the general sales tax act,
5 1933 PA 167, MCL 205.51 to 205.78, and the use tax act, 1937 PA 94,
6 MCL 205.91 to 205.111.

7 (2) The tax imposed on diesel fuel **AND ALTERNATIVE FUEL** shall
8 be imposed in lieu of all other taxes imposed or to be imposed upon

1 the sale or use of diesel fuel by ~~the~~**THIS** state or a political
 2 subdivision of ~~the~~**THIS** state, except the taxes imposed by the
 3 general sales tax act, 1933 PA 167, MCL 205.51 to 205.78, the use
 4 tax act, 1937 PA 94, MCL 205.91 to 205.111, and the motor carrier
 5 fuel tax act, 1980 PA 119, MCL 207.211 to 207.234. The exception
 6 for taxes imposed by **THE GENERAL SALES TAX ACT**, 1933 PA 167, **MCL**
 7 **205.51 TO 205.78**, and **THE USE TAX ACT**, 1937 PA 94, ~~shall~~**MCL 205.91**
 8 **TO 205.111**, **DOES** not apply to diesel fuel used in passenger
 9 vehicles of a capacity of 10 or more operated for hire under a
 10 certificate issued by the state transportation department. **AS USED**
 11 **IN THIS SUBSECTION, "ALTERNATIVE FUEL" MEANS THAT TERM AS DEFINED**
 12 **IN SECTION 151.**

13 Sec. 40. (1) A person may seek a refund for tax paid under
 14 this act on motor fuel **OR ALTERNATIVE FUEL** that is **1 OR MORE OF THE**
 15 **FOLLOWING:**

16 (a) Accidentally contaminated by dye or another contaminant,
 17 including but not limited to gasoline that is mixed with diesel
 18 fuel, if the resulting product cannot be used to operate a motor
 19 vehicle on the public roads or highways without violating this act
 20 or other state or federal law.

21 (b) Accidentally lost or destroyed as a direct result of a
 22 sudden and unexpected casualty loss.

23 (2) ~~This~~**THE** refund **DESCRIBED IN SUBSECTION (1)** does not apply
 24 if the person **SEEKING THE REFUND** has been reimbursed for the cost
 25 of the tax by **ANY PERSON, INCLUDING, BUT NOT LIMITED TO,** an
 26 insurance company, for the loss or contamination. **IF A PERSON**
 27 **SEEKING A REFUND UNDER THIS SECTION IS REIMBURSED FOR ANY AMOUNT,**

1 THAT PERSON SHALL DEMONSTRATE TO THE DEPARTMENT THAT THE AMOUNT
2 REIMBURSED DOES NOT INCLUDE TAX PAID UNDER THIS ACT ON THE MOTOR
3 FUEL OR ALTERNATIVE FUEL IN ORDER TO BE ELIGIBLE FOR THE REFUND.

4 Sec. 53. (1) A person shall not engage in a business activity
5 in this state where a license is required by this act unless the
6 person is licensed under this act.

7 (2) A person required to be licensed under this act shall
8 apply for a license on a form or in a format prescribed by the
9 department.

10 (3) An application for a license under this act may contain
11 any information the department may reasonably require to administer
12 this act including the applicant's federal identification number.

13 (4) The following persons currently licensed on ~~the effective~~
14 ~~date of this act~~ **APRIL 1, 2001** are not required to obtain a new
15 license under this act and shall be considered licensed under this
16 act:

17 (a) A person licensed in this state as a supplier on ~~the~~
18 ~~effective date of this act~~ **APRIL 1, 2001** shall be considered
19 licensed as a supplier under this act but only if the person is a
20 terminal operator or a position holder in a terminal on ~~the~~
21 ~~effective date of this act~~ **APRIL 1, 2001**.

22 (b) A wholesale distributor who on ~~the effective date of this~~
23 ~~act~~ **APRIL 1, 2001** possesses a valid exemption certificate issued
24 under former section 12 of 1927 PA 150 shall be considered licensed
25 as a fuel vendor under this act.

26 (c) A person licensed in this state as an exporter on ~~the~~
27 ~~effective date of this act~~ **APRIL 1, 2001** shall be considered

1 licensed as an exporter under this act.

2 (d) A person licensed in this state as a liquid fuel hauler on
3 ~~the effective date of this act~~ **APRIL 1, 2001** shall be considered
4 licensed as a transporter under this act.

5 (e) A person licensed in this state as a retail dealer of
6 diesel motor fuel on ~~the effective date of this act~~ **APRIL 1, 2001**
7 shall be considered licensed as a retail diesel dealer under this
8 act.

9 (5) A person considered licensed under subsection (4) is
10 subject to all of the provisions of this act except those requiring
11 an application for a new license.

12 (6) Except as otherwise provided in this act, a person who is
13 engaged in more than 1 business activity for which a license is
14 required under this act shall be licensed for each business
15 activity.

16 (7) A person who is licensed as a supplier is not required to
17 obtain a separate license for any other business activity for which
18 a license is required under this act except as a retail diesel
19 dealer or **AS an LPG-ALTERNATIVE FUEL dealer OR ALTERNATIVE FUEL**
20 **COMMERCIAL USER** under sections 151 to 155.

21 ~~—— (8) A person licensed in this state as an LPG dealer on the~~
22 ~~effective date of this act shall be considered licensed as an LPG~~
23 ~~dealer under this act.~~

24 (8) ~~(9)~~ A person who negligently violates this section is
25 subject to a civil penalty of \$1,000.00.

26 (9) ~~(10)~~ A person who knowingly violates or knowingly aids and
27 abets another to violate this section is guilty of a felony.

1 Sec. 63. (1) If an application and the accompanying bond or
2 cash deposit, if any, are approved, the department shall issue a
3 license to the applicant.

4 (2) A licensee shall retain a copy of its license at each of
5 its business locations unless the department waives this
6 requirement.

7 (3) A licensee is not required to renew a license and a
8 license is valid unless and until it is suspended, canceled, or
9 revoked for cause by the department, or discontinued by the
10 licensee. However, the department may require a licensee to update
11 the information required under section 53 OR 153.

12 (4) The department shall maintain a list containing the name
13 and address of each person licensed under this act. The department
14 may post the list on the department's website. The department shall
15 regularly update the list in order to reflect the current status of
16 a licensee.

17 Sec. 151. As used in this section and sections 152 to 155:

18 (A) "ALTERNATIVE FUEL" MEANS A GAS, LIQUID, OR OTHER FUEL
19 THAT, WITH OR WITHOUT ADJUSTMENT OR MANIPULATION SUCH AS ADJUSTMENT
20 OR MANIPULATION OF PRESSURE OR TEMPERATURE, IS CAPABLE OF BEING
21 USED FOR THE GENERATION OF POWER TO PROPEL A MOTOR VEHICLE,
22 INCLUDING, BUT NOT LIMITED TO, NATURAL GAS, COMPRESSED NATURAL GAS,
23 LIQUEFIED NATURAL GAS, LIQUEFIED PETROLEUM GAS, HYDROGEN, HYDROGEN
24 COMPRESSED NATURAL GAS, OR HYTHANE. ALTERNATIVE FUEL DOES NOT
25 INCLUDE MOTOR FUEL, ELECTRICITY, LEADED RACING FUEL, OR AN EXCLUDED
26 LIQUID.

27 (B) "ALTERNATIVE FUEL DEALER" MEANS A PERSON THAT IS LICENSED

1 UNDER SECTION 153 TO USE ALTERNATIVE FUEL AND IS IN THE BUSINESS OF
2 SELLING AT RETAIL ALTERNATIVE FUEL THAT IS TO BE USED TO PROPEL A
3 MOTOR VEHICLE.

4 (C) "ALTERNATIVE FUEL COMMERCIAL USER" MEANS A COMMERCIAL OR
5 OTHER BUSINESS ENTERPRISE OR ENTITY THAT IS A CONSUMER OR END USER
6 OF ALTERNATIVE FUEL TO PROPEL A MOTOR VEHICLE ON THE PUBLIC ROADS
7 AND HIGHWAYS OF THIS STATE. ALTERNATIVE FUEL COMMERCIAL USER DOES
8 NOT INCLUDE A PERSON LICENSED AS AN ALTERNATIVE FUEL DEALER UNDER
9 SECTION 153.

10 (D) "ALTERNATIVE FUEL FILLING STATION" MEANS A MACHINE OR
11 OTHER DEVICE LOCATED WITHIN THIS STATE THAT IS SUPPLIED WITH
12 ALTERNATIVE FUEL AND THAT IS DESIGNED OR USED FOR PLACING OR
13 DELIVERING ALTERNATIVE FUEL INTO THE FUEL SUPPLY TANK OF A MOTOR
14 VEHICLE. AS USED IN THIS SUBDIVISION, "LOCATED WITHIN THIS STATE"
15 INCLUDES, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING LOCATIONS:

16 (i) AN ALTERNATIVE FUEL DEALER'S PLACE OF BUSINESS.

17 (ii) A COMMERCIAL OR INDUSTRIAL ESTABLISHMENT OR FACILITY.

18 (iii) A RESIDENCE OR RESIDENTIAL PROPERTY.

19 (iv) A LANDFILL LICENSED OR REQUIRED TO BE LICENSED UNDER PART
20 115 OF THE NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT, 1994
21 PA 451, MCL 324.11501 TO 324.11554.

22 (E) "BRITISH THERMAL UNIT" OR "BTU" MEANS THE AMOUNT OF HEAT
23 REQUIRED TO RAISE THE TEMPERATURE OF 1 POUND OF WATER 1 DEGREE
24 FAHRENHEIT.

25 (F) "COMPRESSED NATURAL GAS" MEANS A MIXTURE OF HYDROCARBON
26 GASES AND VAPORS THAT CONSISTS PRIMARILY OF METHANE IN GASEOUS FORM
27 THAT HAS BEEN COMPRESSED FOR USE AS A FUEL TO PROPEL A MOTOR

1 VEHICLE.

2 (G) "DIESEL BASE RATE" MEANS THE RATE PER GALLON ON DIESEL
3 FUEL IN EFFECT FOR THE APPLICABLE PERIOD UNDER SECTION 8(1)(B).

4 (H) "DIESEL GALLON EQUIVALENT" MEANS 6.060 POUNDS OF LIQUEFIED
5 NATURAL GAS OR ITS METRIC EQUIVALENT.

6 (I) "GASOLINE BASE RATE" MEANS THE RATE PER GALLON ON GASOLINE
7 IN EFFECT FOR THE APPLICABLE PERIOD UNDER SECTION 8(1)(A).

8 (J) "GASOLINE GALLON EQUIVALENT" MEANS 1 OF THE FOLLOWING OR
9 ITS METRIC EQUIVALENT:

10 (i) FOR COMPRESSED NATURAL GAS, 5.660 POUNDS OR 126.67 CUBIC
11 FEET MEASURED AT A BASE TEMPERATURE OF 60 DEGREES FAHRENHEIT AND A
12 PRESSURE OF 14.7 POUNDS PER SQUARE INCH ABSOLUTE.

13 (ii) FOR HYDROGEN, THE VOLUME OR WEIGHT THAT IS EQUAL TO
14 114,100 BTUS. FOR PURPOSES OF THIS SUBDIVISION, THERE ARE 27,000
15 BTUS PER 100 STANDARD CUBIC FEET, AND 425.93 STANDARD CUBIC FEET
16 PER GASOLINE GALLON EQUIVALENT.

17 (iii) FOR HYDROGEN COMPRESSED NATURAL GAS, THE VOLUME OR WEIGHT
18 THAT IS EQUAL TO 114,100 BTUS. FOR PURPOSES OF THIS SUBDIVISION,
19 THERE ARE 79,800 BTUS PER 100 STANDARD CUBIC FEET, AND 144.11
20 STANDARD CUBIC FEET PER GASOLINE GALLON EQUIVALENT.

21 (K) "LIQUEFIED NATURAL GAS" MEANS METHANE OR NATURAL GAS IN
22 THE FORM OF A CRYOGENIC OR REFRIGERATED LIQUID THAT IS SUITABLE FOR
23 USE OR USED AS FUEL TO PROPEL A MOTOR VEHICLE.

24 (L) ~~(a)~~ "Liquefied petroleum gas" means gases derived from
25 petroleum or natural gases ~~which~~ ~~THAT~~ are in the gaseous state at
26 normal atmospheric temperature and pressure, but ~~which~~ ~~THAT~~ may be
27 maintained in the liquid state at normal atmospheric temperature by

1 suitable pressure. Liquefied petroleum gas includes ~~these products~~
 2 predominately composed of propane, propylene, butylene, butane, and
 3 similar products. **LIQUEFIED PETROLEUM GAS DOES NOT INCLUDE**
 4 **COMPRESSED NATURAL GAS, LIQUEFIED NATURAL GAS, HYDROGEN, OR**
 5 **HYTHANE.**

6 ~~—— (b) "LPG dealer" means a person who is licensed under this~~
 7 ~~chapter to use liquefied petroleum gas.~~

8 ~~(M) (e)~~ "Use", "used", or "uses" means any of the following:

9 (i) Selling or delivering ~~liquefied petroleum gas~~ **ALTERNATIVE**
 10 **FUEL** not otherwise subject to tax under this act, either by placing
 11 it into a permanently attached fuel supply tank of a motor vehicle,
 12 or exchanging or replacing of the fuel supply tank of a motor
 13 vehicle.

14 (ii) Delivery of ~~liquefied petroleum gas~~ **ALTERNATIVE FUEL** into
 15 storage, devoted exclusively to the storage of ~~liquefied petroleum~~
 16 ~~gas~~ **ALTERNATIVE FUEL** to be consumed in motor vehicles on the public
 17 roads or highways **OF THIS STATE.**

18 (iii) Withdrawing ~~liquefied petroleum gas~~ **ALTERNATIVE FUEL** from
 19 the cargo tank of a truck, trailer or semi-trailer for the
 20 operation of a motor vehicle upon the public roads and highways of
 21 this state, whether used in vapor or liquid form.

22 (iv) **PLACING OR DELIVERING ALTERNATIVE FUEL INTO THE FUEL**
 23 **SUPPLY TANK OF A MOTOR VEHICLE BY OR THROUGH THE OPERATION OF AN**
 24 **ALTERNATIVE FUEL FILLING STATION OR BY ANY OTHER MEANS NOT**
 25 **INVOLVING THE DELIVERY, RECEIPT, OR PURCHASE OF ALTERNATIVE FUEL**
 26 **FROM AN ALTERNATIVE FUEL DEALER OR ANY OTHER MEANS NOT OTHERWISE**
 27 **DESCRIBED IN SUBPARAGRAPHS (i) TO (iii).**

1 Sec. 152. (1) ~~A-EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (2)~~
2 ~~AND SECTION 154, A~~ tax at ~~a-**THE** rate of 15-cents-per~~ gallon **EQUAL**
3 **TO THE DIESEL BASE RATE** is imposed upon all ~~liquefied petroleum gas~~
4 **ALTERNATIVE FUEL** used in this state. The tax shall be paid at the
5 times and in the manner specified in this section **OR SECTION 154 OR**
6 **155, AS APPLICABLE**. The tax on ~~liquefied petroleum gas-ALTERNATIVE~~
7 fuel sold or delivered either by placing **IT** into a permanently
8 attached fuel supply tank on a motor vehicle, or **BY** exchanging or
9 replacing the fuel supply tank of a motor vehicle, shall be
10 collected by the ~~LPG-ALTERNATIVE FUEL~~ dealer from the purchaser,
11 **CONSUMER, OR END USER** and paid over ~~quarterly-MONTHLY~~ to the
12 department as provided in this act. ~~Liquefied petroleum gas~~
13 **ALTERNATIVE** fuel delivered in this state into the storage facility
14 of any person when the exclusive purpose of the storage facility is
15 for resale or use in a motor vehicle on the public roads or
16 highways of this state, shall, upon delivery to storage facility,
17 be subject to tax. An ~~LPG-ALTERNATIVE FUEL~~ dealer shall, upon
18 delivery of the ~~liquefied petroleum gas-ALTERNATIVE FUEL~~, collect
19 and remit the tax to the department as provided in this act. A
20 person shall not operate a motor vehicle on the public roads or
21 highways of this state from the cargo containers of a truck,
22 trailer, or semitrailer with ~~liquefied petroleum gas-ALTERNATIVE~~
23 **FUEL** in vapor or liquid form, **AS APPLICABLE**, except when the
24 **ALTERNATIVE** fuel in the liquid or vapor phase is withdrawn from the
25 cargo container for use in motor vehicles through a permanently
26 installed and approved metering device. The tax on ~~liquefied~~
27 ~~petroleum gas-ALTERNATIVE FUEL~~ withdrawn from a cargo container

1 through a permanently installed and approved metering device shall
2 apply in accordance with measured gallons **OR GALLON EQUIVALENTS, IF**
3 **APPLICABLE**, as reflected by meter reading, and shall be paid
4 ~~quarterly~~ **MONTHLY** by the ~~LPG~~ **ALTERNATIVE FUEL** dealer to the
5 department as provided in this act.

6 (2) **THE RATE OF TAX ON THE FOLLOWING ALTERNATIVE FUELS SHALL**
7 **BE AS FOLLOWS:**

8 (A) **FOR LIQUEFIED NATURAL GAS, THE DIESEL BASE RATE PER DIESEL**
9 **GALLON EQUIVALENT OR FRACTIONAL PART THEREOF ROUNDED TO THE NEAREST**
10 **1/10 OF 1 GALLON.**

11 (B) **FOR COMPRESSED NATURAL GAS, HYDROGEN, OR HYDROGEN**
12 **COMPRESSED NATURAL GAS, THE GASOLINE BASE RATE PER GASOLINE GALLON**
13 **EQUIVALENT OR FRACTIONAL PART THEREOF ROUNDED TO THE NEAREST 1/10**
14 **OF 1 GALLON.**

15 Sec. 153. (1) A person shall not act as an ~~LPG~~ **ALTERNATIVE**
16 **FUEL** dealer **OR AN ALTERNATIVE FUEL COMMERCIAL USER** unless the
17 person is licensed under this act.

18 (2) To obtain a license **AS AN ALTERNATIVE FUEL DEALER OR AN**
19 **ALTERNATIVE FUEL COMMERCIAL USER**, an applicant shall file with the
20 department an application upon a form or in a format prescribed by
21 the department. The application shall include the name and address
22 of the applicant and of each place of business to be operated by
23 the applicant at which ~~liquefied petroleum gas~~ **ALTERNATIVE FUEL**
24 will be used and other information the department may reasonably
25 require.

26 (3) At the time of applying for the license, an applicant **FOR**
27 **AN ALTERNATIVE FUEL DEALER LICENSE** shall pay to the department a

1 license fee of ~~\$50.00-~~\$500.00.

2 (4) AT THE TIME OF APPLYING FOR THE LICENSE, AN APPLICANT FOR
3 AN ALTERNATIVE FUEL COMMERCIAL USER LICENSE SHALL PAY TO THE
4 DEPARTMENT A LICENSE FEE OF \$50.00.

5 (5) ~~(4)-An applicant for an LPG dealer~~ A license OR A LICENSEE
6 UNDER THIS SECTION is subject to the general licensing and bonding
7 requirements of this act.

8 ~~—— (5) A person licensed in this state as an LPG dealer on the~~
9 ~~effective date of this act shall be considered licensed as an LPG~~
10 ~~dealer under this act.~~

11 Sec. 154. (1) For the purpose of determining the amount of tax
12 payable to the department, an ~~LPG~~ **ALTERNATIVE FUEL** dealer shall, on
13 or before the twentieth day of each ~~calendar month, following the~~
14 ~~close of the reporting calendar quarter,~~ file with the department
15 on a form or in a format prescribed by the department a report
16 ~~which shall include~~ **THAT INCLUDES** the number of gallons **OR GALLON**
17 **EQUIVALENTS, IF APPLICABLE,** of ~~liquefied petroleum gas~~ **ALTERNATIVE**
18 **FUEL** used by the ~~LPG~~ **ALTERNATIVE FUEL** dealer during the preceding
19 ~~calendar quarter,~~ **MONTH,** together with any other information the
20 department may require. An ~~LPG~~ **ALTERNATIVE FUEL** dealer ~~at the time~~
21 ~~of filing the report~~ shall pay to the department at the time of
22 filing the report the full amount of the tax owed.

23 (2) BEGINNING ON JULY 1, 2015, FOR THE PURPOSE OF DETERMINING
24 THE AMOUNT OF TAX OWED TO THE DEPARTMENT, AN ALTERNATIVE FUEL
25 COMMERCIAL USER THAT USES ALTERNATIVE FUEL AS DESCRIBED IN SECTION
26 151(M) UPON WHICH THE TAX IMPOSED UNDER SECTION 152 HAS NOT BEEN
27 COLLECTED BY OR PAID TO AN ALTERNATIVE FUEL DEALER OR PUBLIC

1 UTILITY SHALL, ON OR BEFORE THE TWENTIETH DAY OF EACH MONTH, FILE
2 WITH THE DEPARTMENT A REPORT THAT INCLUDES THE NUMBER OF GALLONS OR
3 GALLON EQUIVALENTS, IF APPLICABLE, OF THE ALTERNATIVE FUEL
4 DESCRIBED IN THIS SUBSECTION THAT WAS USED OR CONSUMED BY THE
5 ALTERNATIVE FUEL COMMERCIAL USER DURING THE PRECEDING MONTH,
6 TOGETHER WITH ANY OTHER INFORMATION THE DEPARTMENT REQUIRES. AN
7 ALTERNATIVE FUEL COMMERCIAL USER SHALL PAY THE FULL AMOUNT OF THE
8 TAX DUE TO THE DEPARTMENT AT THE TIME OF FILING THE REQUIRED
9 REPORT.

10 (3) BEGINNING ON JANUARY 1, 2016, FOR THE PURPOSE OF
11 DETERMINING THE AMOUNT OF TAX OWED TO THE DEPARTMENT, A PERSON THAT
12 IS NOT AN ALTERNATIVE FUEL DEALER OR AN ALTERNATIVE FUEL COMMERCIAL
13 USER SHALL PAY THE TAX IMPOSED UNDER SECTION 152 ON ALTERNATIVE
14 FUEL FOR WHICH THE TAX HAS NOT BEEN COLLECTED BY OR PAID TO AN
15 ALTERNATIVE FUEL DEALER OR A PUBLIC UTILITY, AND SHALL FILE WITH
16 THE DEPARTMENT A FORM THAT INDICATES THE NUMBER OF GALLONS OR
17 GALLON EQUIVALENTS, IF APPLICABLE, USED OR CONSUMED BY THAT PERSON
18 DURING THE PRECEDING QUARTER. A PERSON DESCRIBED IN THIS SUBSECTION
19 SHALL PAY TO THE DEPARTMENT THE FULL AMOUNT OF THE TAX DUE AT THE
20 TIME OF FILING THE REQUIRED FORM.

21 (4) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A PERSON
22 THAT USES ALTERNATIVE FUEL FOR A TAXABLE PURPOSE AND DOES NOT PAY
23 THE TAX IMPOSED UNDER THIS SECTION SHALL PAY TO THE DEPARTMENT THE
24 TAX IMPOSED UNDER SECTION 152, ALONG WITH ANY APPLICABLE PENALTIES
25 OR INTEREST.

26 Sec. 155. ~~(1) Each of the following persons is entitled to a~~
27 ~~refund of the tax on liquefied petroleum gas imposed by this act:~~

1 (1) ~~(a) A person consuming liquefied petroleum gas~~ **ALTERNATIVE**
2 **FUEL** for any purpose other than ~~the operation of~~ **TO PROPEL** a motor
3 vehicle on the public roads or highways of this state **MAY SEEK A**
4 **REFUND OF THE TAX ON ALTERNATIVE FUEL IMPOSED BY THIS ACT, IF THAT**
5 **PERSON HAS ALREADY PAID THE TAX IMPOSED UNDER SECTION 152 ON THAT**
6 **ALTERNATIVE FUEL.**

7 ~~(b) The federal government, state government, or a political~~
8 ~~subdivision of this state consuming liquefied petroleum gas in a~~
9 ~~motor vehicle owned and operated or leased and operated by the~~
10 ~~federal government, state government, or political subdivision of~~
11 ~~this state.~~

12 ~~(c) A person consuming liquefied petroleum gas in the~~
13 ~~operation of a passenger vehicle of a capacity of 5 or more under a~~
14 ~~municipal franchise, license, permit, agreement, or grant, upon~~
15 ~~which gas the tax imposed by this section has been paid.~~

16 (2) To obtain a refund **UNDER THIS SECTION**, a person shall file
17 a claim with the department within 18 months after the date of
18 purchase, as shown on the invoice and shall comply with the
19 requirements set forth in section 48.

20 (3) A claim for refund **UNDER THIS SECTION** shall be on a form
21 or in a format prescribed by the department and shall have attached
22 the original invoice that was provided to the purchaser.

23 (4) **AN ALTERNATIVE FUEL IS EXEMPT FROM THE TAX IMPOSED BY THIS**
24 **ACT AND THE TAX IMPOSED BY THIS ACT SHALL NOT BE COLLECTED BY AN**
25 **ALTERNATIVE FUEL DEALER IF 1 OF THE FOLLOWING APPLIES:**

26 **(A) THE ALTERNATIVE FUEL IS SOLD DIRECTLY BY AN ALTERNATIVE**
27 **FUEL DEALER TO THE FEDERAL GOVERNMENT, THE STATE GOVERNMENT, OR A**

1 POLITICAL SUBDIVISION OF THIS STATE FOR USE IN A MOTOR VEHICLE
2 OWNED AND OPERATED OR LEASED AND OPERATED BY THE FEDERAL
3 GOVERNMENT, STATE GOVERNMENT, OR POLITICAL SUBDIVISION OF THIS
4 STATE.

5 (B) THE ALTERNATIVE FUEL IS SOLD DIRECTLY BY AN ALTERNATIVE
6 FUEL DEALER TO A NONPROFIT, PRIVATE, PAROCHIAL, OR DENOMINATIONAL
7 SCHOOL, COLLEGE, OR UNIVERSITY AND IS USED IN A SCHOOL BUS OWNED
8 AND OPERATED OR LEASED AND OPERATED BY THE EDUCATIONAL INSTITUTION
9 THAT IS USED IN THE TRANSPORTATION OF STUDENTS TO AND FROM THE
10 INSTITUTION OR TO AND FROM SCHOOL FUNCTIONS AUTHORIZED BY THE
11 ADMINISTRATION OF THE INSTITUTION.

12 (C) THE ALTERNATIVE FUEL IS IMPORTED INTO THIS STATE IN THE
13 FUEL SUPPLY TANK OF A MOTOR VEHICLE USED SOLELY FOR NONCOMMERCIAL
14 PURPOSES, IF THE AGGREGATE CAPACITY OF THE MOTOR VEHICLE'S FUEL
15 SUPPLY TANK DOES NOT EXCEED 30 GALLONS OR THE EQUIVALENT OF 30
16 GALLONS.

17 (5) ~~(4) A person who~~ THAT sells ~~liquefied petroleum gas~~
18 ALTERNATIVE FUEL shall provide the purchaser with an invoice OR
19 RECEIPT showing the amount EXPRESSED IN GALLONS OR GALLON
20 EQUIVALENTS, AS APPLICABLE, of ~~gas~~ ALTERNATIVE FUEL purchased, the
21 date of purchase, and the amount of tax paid.

22 (6) AN ALTERNATIVE FUEL DEALER THAT SELLS ALTERNATIVE FUEL AT
23 RETAIL SHALL CLEARLY LIST IN PLAIN VIEW OF THE CUSTOMER THE PRICE
24 OF THE ALTERNATIVE FUEL IN DIESEL GALLON EQUIVALENTS OR GASOLINE
25 GALLON EQUIVALENTS, AS APPLICABLE, ON THE ALTERNATIVE FUEL FILLING
26 STATION AND ANY OTHER MARKINGS OR INFORMATION REQUIRED BY LAW.

27 (7) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, A PERSON

1 THAT USES OR CONSUMES ALTERNATIVE FUEL FOR A TAXABLE PURPOSE AND
2 DOES NOT PAY THE TAX IMPOSED UNDER SECTION 154 IS LIABLE FOR THE
3 PAYMENT OF THAT TAX AND SHALL PAY TO THE DEPARTMENT THE TAX IMPOSED
4 UNDER SECTION 152 AND ANY APPLICABLE PENALTIES OR INTEREST.

5 Enacting section 1. This amendatory act takes effect April 1,
6 2015.