

Act No. 317
Public Acts of 2016
Approved by the Governor
November 2, 2016
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**STATE OF MICHIGAN
98TH LEGISLATURE
REGULAR SESSION OF 2016**

**Introduced by Reps. McCready, Iden, Aaron Miller, Graves, Kelly, Cole, Kesto, Franz, Tedder, Victory,
Bumstead, Barrett, Inman and Canfield**

ENROLLED HOUSE BILL No. 5572

AN ACT to amend 2000 PA 403, entitled "An act to prescribe a tax on the sale and use of certain types of fuel in motor vehicles on the public roads or highways of this state and on certain other types of gas; to prescribe the manner and the time of collection and payment of this tax and the duties of officials and others pertaining to the payment and collection of this tax; to provide for the licensing of persons involved in the sale, use, or transportation of motor fuel and the collection and payment of the tax imposed by this act; to prescribe fees; to prescribe certain other powers and duties of certain state agencies and other persons; to provide for exemptions and refunds and for the disposition of the proceeds of this tax; to provide for appropriations from the proceeds of this tax; to prescribe remedies and penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 154 (MCL 207.1154), as amended by 2015 PA 176.

The People of the State of Michigan enact:

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

(2) Beginning on January 1, 2017, for the purpose of determining the amount of tax owed to the department, an alternative fuel commercial user that uses alternative fuel as described in section 151(j) upon which the tax imposed under section 152 has not been collected by or paid to an alternative fuel dealer shall, on or before the twentieth day of each month, file with the department a report that includes the number of gallons or gallon equivalents, if applicable, of the alternative fuel described in this subsection that was used or consumed by the alternative fuel commercial user during the preceding calendar month, together with any other information the department requires. An alternative fuel commercial user shall pay the full amount of the tax due to the department at the time of filing the required report. Notwithstanding anything to the contrary in this act, an alternative fuel commercial user may report and pay the tax imposed under section 152 on compressed natural gas based on a gallon equivalent equal to 6.384 pounds or 142.78 cubic feet at 60 degrees Fahrenheit and 1 atmosphere of pressure if all of the following conditions are met:

(a) The compressed natural gas was placed into the fuel supply tank of a motor vehicle owned by the alternative fuel commercial user through the use of an alternative fuel filling station.

(b) That the alternative fuel filling station described in (a) is owned or leased by the alternative fuel commercial user, is located at the place of business of the alternative fuel commercial user, and is unavailable for public use.

(c) The motor vehicle described in (a) is not any of the following:

(i) Subject to the international fuel tax agreement described in section 2a of the motor carrier fuel tax act, 1980 PA 119, MCL 207.212a.

(ii) Required to have a decal affixed to the cab under section 5 of the motor carrier fuel tax act, 1980 PA 119, MCL 207.215.

(iii) Operated under a trip permit issued by the department under section 7 of the motor carrier fuel tax act, 1980 PA 119, MCL 207.217.

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

(4) Except as otherwise provided in this section, a person that uses alternative fuel for a taxable purpose and does not pay the tax imposed under this section shall pay to the department the tax imposed under section 152, along with any applicable penalties or interest, at the time and in the manner prescribed by the department.

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

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved

Governor