

PROPANE COMMISSION ACT (EXCERPT)
Act 332 of 2020

460.627 Propane assessment; subject to referendum; rate; notification; collection of assessment; records; deposit of collections.

Sec. 7. (1) Subject to a referendum under section 11(2), beginning on January 1 of the year following the effective date of this act, an initial assessment at the rate of 1/10 of 1 cent per gallon is levied upon odorized propane sold and placed into commerce in this state. The commission shall determine the assessment rate for subsequent years subject to subsections (2) and (3).

(2) Not later than December 1 of each year, the commission shall notify each wholesale propane distributor and retail propane marketer of the applicable assessment rate for the next year.

(3) The total annual assessment rate levied under this section must not exceed 1/2 of 1 cent per gallon.

(4) Each wholesale propane distributor or other owner of propane at the time of odorization in this state, or at the time of import of odorized propane into this state, shall make and collect an assessment based on the volume of odorized propane sold and placed into commerce in this state. Each wholesale propane distributor shall separately identify and itemize the assessment on an invoice, bill of sale, or other similar billing document given to a retail propane marketer for the sale of odorized propane.

(5) Each person responsible for collecting the assessment shall remit all assessments to the commission on a quarterly basis, not later than the 25th day of the month following the end of each calendar quarter. Each person responsible for collecting the assessment shall file a report, on a form provided by the commission, not later than the 25th day of the month following the end of the calendar quarter regardless of the amount due.

(6) Each person responsible for collecting the assessment shall keep records of the volume of odorized propane the person imported, sold, delivered, or used in this state, including the number of gallons, name of purchaser, and rate of assessment with respect to odorized propane that is subject to this act. All records made or kept as required by this subsection must be made available to the commission upon its written request to determine compliance with this act. The commission shall keep the records confidential and shall not disclose the records except to its accountants, attorneys, or financial advisors without a court order directing it to do so.

(7) The commission shall deposit the assessments it collects under this act into a financial institution as described in section 8 and shall not commingle the assessments with other funds. The commission shall use the assessments it collects under this act for the purposes of this act.

History: 2020, Act 332, Imd. Eff. Dec. 29, 2020.