1	Senate Bill No. 454
2	(By Senators Prezioso and Facemire)
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4	[Introduced March 6, 2013; referred to the Committee on
5	Transportation and Infrastructure; and then to the Committee on
6	Finance.]
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11	A BILL to amend and reenact \$11-14C-2, \$11-14C-5, \$11-14C-9,
12	\$11-14C-10, $$11-14C-13$ and $$11-14C-19$ of the Code of West
13	Virginia, 1931, as amended; to amend said code by adding
14	thereto a new section, designated \$11-14C-6a; to amend and
15	reenact §11-15-18b of said code; and to amend and reenact
16	§11-15A-13a of said code, all relating to the taxation of
17	alternative fuel; defining terms; requiring the Tax
18	Commissioner to determine the gasoline gallon equivalent for
19	alternative fuels; imposing tax on motor fuel equivalent
20	gallons; specifying the point of imposition of tax on
21	alternative fuels not otherwise taxed at the point of
22	imposition; providing that propane used in a motor vehicle is
23	subject to the tax; requiring alternative-fuel bulk end users,

- 1 providers of alternative fuels and retailers of alternative
- fuels to be licensed; establishing bonding requirements for
- 3 alternative-fuel bulk end users, providers of alternative
- 4 fuels and retailers of alternative fuels; establishing due
- dates for returns and payments of tax on alternative fuels;
- and specifying effective dates for amendments.
- 7 Be it enacted by the Legislature of West Virginia:
- 8 That \$11-14C-2, \$11-14C-5, \$11-14C-9, \$11-14C-10, \$11-14C-13
- 9 and \$11-14C-19 of the Code of West Virginia, 1931, as amended, be
- 10 amended and reenacted; that said code be amended by adding thereto
- 11 a new section, designated \$11-14C-6a; that \$11-15-18b of said code
- 12 be amended and reenacted; and that \$11-15A-13a of said code be
- 13 amended and reenacted, all to read as follows:
- 14 ARTICLE 14C. MOTOR FUEL EXCISE TAX.
- 15 PART I. GENERAL PROVISIONS
- 16 §11-14C-2. Definitions.
- 17 As used in this article and unless the context requires
- 18 otherwise, the following terms have the meaning ascribed herein.
- 19 (1) "Agricultural purposes" means the activities of:
- 20 (A) Cultivating the soil, including the planting and
- 21 harvesting of crops, for the commercial production of food, fiber
- 22 and ornamental woodland products;
- 23 (B) Using land for breeding and management of farm livestock

- 1 including dairy, apiary, equine or poultry husbandry; and
- 2 (C) Using land for the practice of horticulture including the
- 3 growing of Christmas trees, orchards and nursery stock. *Provided*,
- 4 That Agricultural purposes shall do not include commercial
- 5 forestry, growing of timber for commercial purposes or any other
- 6 activity that normally would not be included in subdivision (A),
- 7 (B) or (C) of this definition.
- 8 (2) "Aircraft" includes any airplane or helicopter.
- 9 (3) "Alcohol" means motor fuel grade ethanol or a mixture of
- 10 motor fuel-grade ethanol and methanol, excluding denaturant and
- 11 water that is a minimum of ninety-eight percent ethanol or methanol
- 12 by volume.
- 13 (4) "Alternative fuel" means a combustible gas or liquid that
- 14 is used or suitable for use as a motor fuel in an internal
- 15 combustion engine or motor to propel any form of vehicle, machine,
- 16 or mechanical contrivance and includes, but is not limited to,
- 17 products commonly known as butane, propane, compressed natural gas,
- 18 liquefied natural gas, liquefied petroleum gas, natural gas
- 19 hydrocarbons and derivatives, liquid hydrocarbons derived from
- 20 biomass, P-series fuels and hydrogen. For purposes of this article
- 21 electricity is not an alternative fuel.
- 22 (5) "Alternative fuel bulk end-user" means a person who

- 1 maintains storage facilities for alternative fuel and uses part or
- 2 all of the stored fuel to operate a motor vehicle.
- (6) "Alternative fuel commercial refueling infrastructure" 3 means property owned by a commercial establishment and used for 5 storing alternative fuels and for dispensing such alternative fuels 6 into the fuel tanks of vehicles owned by the same person or entity 7 that owns the alternative fuel commercial refueling infrastructure 8 or into the fuel tanks of privately owned vehicles or commercial 9 vehicles other than those owned by the same person or entity that 10 owns the alternative fuel commercial refueling infrastructure, or 11 any combination thereof. "Alternative fuel vehicle commercial 12 refueling infrastructure" includes, but is not limited to, 13 compression equipment, storage tanks and dispensing units for 14 alternative fuel at the point where the fuel is delivered: 15 Provided, That the property is not located on a private residence 16 or private home. "Alternative fuel commercial refueling 17 infrastructure" does not include any building, infrastructure, 18 equipment, apparatus, terminal or connections for servicing, 19 charging or providing electricity to plug-in hybrid electric 20 <u>vehicles</u> or electric vehicles. "Alternative fuel vehicle 21 commercial refueling infrastructure" includes alternative fuel 22 vehicle commercial refueling infrastructure property as described 23 in this subdivision which is owned by a lessor or landlord and

- 1 <u>leased to or rented to a lessee or tenant as part of a residence</u>
- 2 for such lessee or tenant.
- 3 (7) "Alternative fuel home refueling infrastructure" means
- 4 property owned by a private individual for personal use that is
- 5 located at the individual's private residence or private home and
- 6 used for storing and dispensing alternative fuels into fuel tanks
- 7 of the property owner's motor vehicles. This includes, but is not
- 8 limited to, compression equipment, storage tanks and dispensing
- 9 units for alternative fuel at the point where the fuel is
- 10 delivered. For purposes of this article, "alternative fuel home
- 11 refueling infrastructure" does not include any building,
- 12 <u>infrastructure</u>, equipment, apparatus, terminal or connections for
- 13 servicing, charging or providing electricity to plug-in hybrid
- 14 electric vehicles or electric vehicles. "Alternative fuel home
- 15 refueling infrastructure" does not include alternative fuel vehicle
- 16 refueling infrastructure property owned by a lessor or landlord
- 17 which is leased to or rented to a lessee or tenant as part of a
- 18 residence for such lessee or tenant.
- 19  $\frac{(4)}{(8)}$  "Article" or "this article" means article fourteen-c,
- 20 chapter eleven of this code.
- 21  $\frac{(5)}{(9)}$  "Assessment" means a written determination by the
- 22 commissioner of the amount of taxes owed by a taxpayer.

- 1  $\frac{(6)}{(10)}$  "Aviation fuel" means aviation gasoline or aviation 2 jet fuel.
- $\frac{(7)}{(11)}$  "Aviation gasoline" means motor fuel designed for use
- 4 in the operation of aircraft other than jet aircraft and sold or
- 5 used for that purpose.
- 6 (8) (12) "Aviation jet fuel" means motor fuel designed for use
- 7 in the operation of jet or turbo-prop aircraft and sold or used for
- 8 that purpose.
- 9 (9) (13) "Biodiesel fuel" means any motor fuel or mixture of
- 10 motor fuels that is derived, in whole or in part, from agricultural
- 11 products or animal fats, or the wastes of such products or fats,
- 12 and is advertised as, offered for sale as, suitable for use or used
- 13 as motor fuel in an internal combustion engine.
- 14 (10) (14) "Blended fuel" means a mixture composed of gasoline
- 15 or diesel fuel and another liquid including, but not limited to,
- 16 gasoline blend stocks, gasohol, ethanol, methanol, fuel grade
- 17 alcohol, diesel fuel enhancers and resulting blends, other than a
- 18 de minimus amount of a product such as carburetor detergent or
- 19 oxidation inhibitor, that can be used as a motor fuel in a highway
- 20 vehicle.
- 21 (15) "Blender" means a person who produces blended motor
- 22 fuel outside the bulk transfer/terminal system.

- 1 (12) (16) "Blending" means the mixing of one or more petroleum
- 2 products, with or without another product, regardless of the
- 3 original character of the product blended, if the product obtained
- 4 by the blending is capable of use in the generation of power for
- 5 the propulsion of a motor vehicle, an airplane or a marine vessel.
- 6 Blending does not include mixing that occurs in the process of
- 7 refining by the original refiner of crude petroleum or the blending
- 8 of products known as lubricating oil in the production of
- 9 lubricating oils and greases.
- 10  $\frac{(13)}{(17)}$  (17) "Bulk plant" means a motor fuel storage and
- 11 distribution facility that is not a terminal and from which motor
- 12 fuel may be removed at a rack.
- 13 (14) (18) "Bulk transfer" means any transfer of motor fuel
- 14 from one location to another by pipeline tender or marine delivery
- 15 within a bulk transfer/terminal system, including, but not limited
- 16 to, all of the following:
- 17 (A) A marine vessel Movement of motor fuel from a refinery or
- 18 terminal to a terminal by a marine vessel;
- 19 (B) Pipeline movements of motor fuel from a refinery or
- 20 terminal to a terminal;
- 21 (C) Book transfer of motor fuel within a terminal between
- 22 licensed suppliers prior to completion of removal across the rack;
- 23 and

- 1 (D) Two-party exchange between licensed suppliers or between
- 2 licensed suppliers and permissive suppliers.
- 3 (15) (19) "Bulk user" means a person who maintains storage
- 4 facilities for motor fuel and uses part or all of the stored motor
- 5 fuel to operate a motor vehicle, watercraft or aircraft.
- 6 (16) (20) "Bulk transfer/terminal system" means the motor fuel
- 7 distribution system consisting of refineries, pipelines, marine
- 8 vessels and terminals. Motor fuel in a refinery, a pipeline, a
- 9 terminal or a marine vessel transporting motor fuel to a refinery
- 10 or terminal is in the bulk transfer/terminal system. Motor fuel in
- 11 a motor fuel storage facility including, but not limited to, a bulk
- 12 plant that is not part of a refinery or terminal, in the motor fuel
- 13 supply tank of any an engine or motor vehicle, in a marine vessel
- 14 transporting motor fuel to a motor fuel storage facility that is
- 15 not in the bulk transfer/terminal system, or in any a tank car,
- 16 rail car, trailer, truck or other equipment suitable for ground
- 17 transportation is not in the bulk transfer/terminal system.
- 18  $\frac{(17)}{(21)}$  "Carrier" means any an operator of a pipeline or
- 19 marine vessel engaged in the business of transporting motor fuel
- 20 above the terminal rack.
- 21  $\frac{\text{(18)}}{\text{(22)}}$  "Code" means the Code of West Virginia, 1931, as
- 22 amended.

- 1 (19) (23) "Commercial watercraft" means a watercraft employed
- 2 in the business of commercial fishing, transporting persons or
- 3 property for compensation or hire or any other trade or business.
- 4 (20) (24) "Commissioner" or "Tax Commissioner" means the West
- 5 Virginia State Tax Commissioner or his or her delegate.
- 6  $\frac{(21)}{(25)}$  "Compressed natural gas" means natural gas that has
- 7 been compressed and dispensed into motor fuel storage containers
- 8 and is advertised as, offered for sale as, suitable for use as or
- 9 used as an engine motor fuel.
- 10  $\frac{(22)}{(26)}$  (26) "Corporate or partnership officer" means an officer
- 11 or director of a corporation, partner of a partnership or member of
- 12 a limited liability company who as an officer, director, partner or
- 13 member is under a duty to perform on behalf of the corporation,
- 14 partnership or limited liability company, the tax collection,
- 15 accounting or remitting obligations.
- 16  $\frac{(23)}{(27)}$  "Dead storage" is the amount of motor fuel that
- 17 cannot be pumped out of a motor fuel storage tank because the motor
- 18 fuel is below the mouth of the draw pipe. The amount of motor fuel
- 19 in dead storage is two hundred gallons for a tank with a capacity
- 20 of less than ten thousand gallons and four hundred gallons for a
- 21 tank with a capacity of ten thousand gallons or more.
- 22 (24) (28) "Denaturants" means and includes gasoline, natural
- 23 gasoline, gasoline components or toxic or noxious materials added

- 1 to motor fuel grade ethanol to make it unsuitable for beverage use
- 2 but not unsuitable for automotive use.
- 3  $\frac{(25)}{(29)}$  "Designated inspection site" means  $\frac{any}{a}$  state
- 4 highway inspection station, weigh station, agricultural inspection
- 5 station, mobile station or other location designated by the
- 6 commissioner to be used as a motor fuel inspection site.
- 7  $\frac{(26)}{(30)}$  "Destination state" means the state, territory or
- 8 foreign country to which motor fuel is directed for delivery into
- 9 a storage facility, a receptacle, a container or a type of
- 10 transportation equipment for the purpose of resale or use. The
- 11 term <del>shall</del> does not include a tribal reservation of <del>any</del> a
- 12 recognized Native American tribe.
- 13  $\frac{(27)}{(31)}$  "Diesel fuel" means  $\frac{1}{2}$  a liquid that is advertised
- 14 as, offered for sale as, sold for use as, suitable for use as or
- 15 used as a motor fuel in a diesel-powered highway vehicle or
- 16 watercraft. The term includes #1 fuel oil, #2 fuel oil, undyed
- 17 diesel fuel and kerosene but shall does not include gasoline or
- 18 aviation fuel.
- 19 (28) (32) "Distributor" means a person who acquires motor fuel
- 20 from a licensed supplier, permissive supplier or from another
- 21 licensed distributor for subsequent sale or use.
- 22 (29) (33) "Diversion" means transporting motor fuel outside a
- 23 reasonably direct route from the source to the destination state.

- 1  $\frac{(30)}{(34)}$  "Division" or "State Tax Division" means the Tax
- 2 Division of the West Virginia Department of Revenue.
- 3 (31) (35) "Dyed diesel fuel" means diesel fuel that meets the
- 4 dyeing and marking requirements of section 4082, Title 26, United
- 5 States Code, regardless of how the diesel fuel was dyed.
- $\frac{(32)}{(36)}$  "End seller" means the person who sells motor fuel
- 7 to the ultimate user of the motor fuel.
- 8 (33) (37) "Export" means to obtain motor fuel in West Virginia
- 9 for sale or other distribution in another state, territory or
- 10 foreign country.
- 11 (34) (38) "Exporter" means a person that exports motor fuel
- 12 from this state. The seller is the exporter of motor fuel
- 13 delivered out-of-state by or for the seller and the purchaser is
- 14 the exporter of motor fuel delivered out-of-state by or for the
- 15 purchaser.
- 16  $\frac{(35)}{(39)}$  "Fuel" means motor fuel.
- 17 (36) "Fuel alcohol" means methanol or motor fuel grade
- 18 ethanol.
- 19 (40) "Fuel grade ethanol" means the ASTM standard in
- 20 effect on the effective date of this article as the D-4806
- 21 specification for denatured motor fuel grade ethanol for blending
- 22 with gasoline.

- 1  $\frac{(38)}{(41)}$  "Fuel supply tank" means  $\frac{1}{2}$  receptacle on a motor
- 2 vehicle from which motor fuel is supplied for the propulsion of the
- 3 motor vehicle.
- 4 (39) (42) "Gallon" means a unit of liquid measure as
- 5 customarily used in the United States containing two hundred
- 6 thirty-one cubic inches by volume and expresses the volume at 60
- 7 degrees Fahrenheit.
- 8  $\frac{(40)}{(43)}$  "Gasohol" means a blended motor fuel composed of
- 9 gasoline and motor fuel alcohol.
- 10 <del>(41)</del> (44) "Gasoline" means <del>any</del> a product commonly or
- 11 commercially known as gasoline, regardless of classification, that
- 12 is advertised as, offered for sale as, sold for use as, suitable
- 13 for use as or used as motor fuel in an internal combustion engine,
- 14 including gasohol, but does not include special fuel as defined in
- 15 this section.
- 16 (42) (45) "Gasoline blend stocks" includes any petroleum
- 17 product component of gasoline, such as naphtha, reformate, or
- 18 toluene, listed in Treas. Req. §48.4081-1(c) (3) that can be
- 19 blended for use in a motor fuel. However, The term does not
- 20 include any substance that will be ultimately used for consumer
- 21 nonmotor fuel use and is sold or removed in drum quantities of
- 22 fifty-five gallons or less at the time of the removal or sale.

- 1 (46) "Gallon equivalent" means the amount of an alternative
- 2 fuel that is considered to be the equivalent of a gallon of
- 3 gasoline according to the National Institute of Standards and
- 4 Technology Handbook 130 or pursuant to guidelines issued by the Tax
- 5 Commissioner.
- 6  $\frac{(43)}{(47)}$  "Gross gallons" means the total measured product,
- 7 exclusive of any temperature or pressure adjustments,
- 8 considerations or deductions, in U.S. gallons.
- 9  $\frac{(44)}{(48)}$  "Governmental entity" means this state or  $\frac{any}{(48)}$
- 10 political subdivision thereof or the United States or its
- 11 commissioners, agencies and instrumentalities.
- 12  $\frac{(45)}{(49)}$  "Heating oil" means any combustible liquid,
- 13 including, but not limited to, #1 fuel oil, #2 dyed fuel oil and
- 14 kerosene that is burned in a boiler, furnace or stove for heating
- 15 or for industrial processing purposes.
- (46) (50) "Highway" means every way or place of whatever
- 17 nature open to the use of the public for purposes of vehicular
- 18 travel in this state including the streets and alleys in towns and
- 19 cities.
- 20 (47) (51) "Highway vehicle" means any self-propelled vehicle,
- 21 trailer or semitrailer that is designed or used for transporting
- 22 persons or property over the public highway and includes all

- 1 vehicles subject to registration under article three, chapter
- 3 (48) (52) "Import" means to bring motor fuel into this state
- 4 by motor vehicle, marine vessel, pipeline or any other means.
- 5 However, Import does not include bringing motor fuel into this
- 6 state in the motor fuel supply tank of a motor vehicle if the motor
- 7 fuel is used to power that motor vehicle.

2 seventeen-a of this code.

- 8  $\frac{(49)}{(53)}$  "Importer" means a person that imports motor fuel
- 9 into this state. The seller is the importer for motor fuel
- 10 delivered into this state from outside of this state by or for the
- 11 seller and the purchaser is the importer for motor fuel delivered
- 12 into this state from outside of this state by or for the purchaser.
- 13  $\frac{(50)}{(54)}$  "Import verification number" means the number
- 14 assigned by the commissioner with respect to a single transport
- 15 vehicle delivery into this state from another state upon request
- 16 for an assigned number by an importer or the transporter carrying
- 17 taxable motor fuel into this state for the account of an importer.
- (51) (55) "In this state" means the area within the borders of
- 19 West Virginia including all territory within the borders of West
- 20 Virginia that is owned by the United States of America.
- (52) (56) "Invoiced gallons" means the gallons actually billed
- 22 on an invoice for payment.

- 1  $\frac{(53)}{(57)}$  "Licensee" means  $\frac{a}{a}$  person licensed by the 2 commissioner pursuant to section ten of this article.
- $\frac{(54)}{(58)}$  "Liquid" means  $\frac{1}{2}$  substance that is liquid above 4 its freezing point.
- 5 (55) (59) "Liquefied natural gas" means natural gas that has 6 been liquefied at -126.1 degrees centigrade and stored in insulated 7 cryogenic tanks for use as an engine motor fuel.
- 8 (56) (60) "Motor carrier" means any a vehicle used, designated 9 or maintained for the transportation of persons or property and 10 having two axles and a gross vehicle weight exceeding twenty-six 11 thousand pounds or having three or more axles regardless of weight 12 or is used in combination when the weight of the combination 13 exceeds twenty-six thousand pounds or registered gross vehicle 14 weight, and any aircraft, barge or other watercraft or railroad 15 locomotive transporting passengers or freight in or through this 16 state: Provided, That the gross vehicle weight rating of the 17 vehicles being towed is in excess of ten thousand pounds. The term 18 motor carrier does not include any type of recreational vehicle.
- 19 (57) (61) "Motor fuel" means gasoline, blended fuel, aviation 20 fuel, and any special fuel and alternative fuel.
- 21 (58) (62) "Motor fuel transporter" means a person who 22 transports motor fuel outside the bulk transfer/terminal system by

- 1 means of a transport vehicle, a railroad tank car or a marine 2 vessel.
- (59) (63) "Motor vehicle" means automobiles, motor carriers, 4 motor trucks, motorcycles and all other vehicles or equipment, 5 engines or machines which are operated or propelled by combustion

6 of motor fuel.

- 7 (60) (64) "Net gallons" means the amount of motor fuel 8 measured in gallons when adjusted to a temperature of sixty degrees 9 Fahrenheit and a pressure of fourteen and seven-tenths pounds 10 pressure per square inch.
- 11 (61) (65) "Permissive supplier" is a person who may not be subject to the taxing jurisdiction of this state but who meets both 13 of the following requirements: (A) Is registered under Section 14 4101 of the Internal Revenue Code for transactions in motor fuel in 15 the bulk transfer/terminal system; and (B) a position holder in 16 motor fuel only located in another state or a person who receives 17 motor fuel only in another state pursuant to a two-party exchange: 18 Provided, That a person is classified as a supplier if it has or 19 maintains, occupies or uses, within this state, directly or by a 20 subsidiary, an office, distribution house, sales house, warehouse, 21 or other place of business, or any agent or representative (by 22 whatever name called) operating within this state under the 23 authority of the supplier or its subsidiary.

- (62) (66) "Person" means any an individual, firm, cooperative, association, corporation, limited liability corporation, estate, guardian, executor, administrator, trust, business trust, syndicate, partnership, limited partnership, copartnership, organization, limited liability partnership, joint venture, receiver and trustee in bankruptcy. "Person" also means a club, society or other group or combination acting as a unit, or a public body including, but not limited to, this state and any other state and any an agency, commissioner, institution, political subdivision or instrumentality of this state or any other state and, also, any an officer, employee or member of any of the foregoing who, as an officer, employee or member, is under a duty to perform or is responsible for the performance of an act prescribed by the provisions of this article.
- (63) (67) "Position holder" means the person who holds the inventory position in motor fuel in a terminal as reflected on the records of the terminal operator. A person holds the inventory position in motor fuel when that person has a contract with the terminal operator for the use of storage facilities and terminaling services for motor fuel at the terminal. The term includes a terminal operator who owns motor fuel in the terminal.
- 22 (64) (68) "Principal" means:
- 23 (A) If a partnership, all its partners;

- 1 (B) If a corporation, all its officers, directors, and
- 2 controlling direct or indirect owners;
- 3 (C) If a limited liability company, all its members; or
- 4 (D) An individual.
- 5 (69) "Producer/manufacturer" means a person who produces,
- 6 refines, blends, distills, manufactures or compounds motor fuel.
- 7 (70) "Provider of alternative fuel" means a person who does
- 8 one or more of the following:
- 9 (A) Acquires alternative fuel for sale or delivery to an
- 10 alternative fuel bulk end-user or an alternative fuel retailer;
- 11 (B) Maintains storage facilities for alternative fuel
- 12 including alternative fuel home refueling infrastructures and
- 13 alternative fuel commercial refueling infrastructures, part or all
- 14 of which the person uses or sells to someone other than an
- 15 alternative fuel bulk end-user or an alternative fuel retailer to
- 16 operate a highway vehicle;
- 17 (C) Sells alternative fuel and uses part of the fuel acquired
- 18 for sale to operate a highway vehicle by means of a fuel supply
- 19 line from the cargo tank of the vehicles to the engine of the
- 20 vehicle;
- 21 (D) Imports alternative fuel into this state by a means other
- 22 than the usual tank or receptacle connected with the engine of a

- 1 highway vehicle for use by that person to operate a highway
- 2 vehicle.
- 3 (65) (71) "Rack" means a mechanism for delivering motor fuel
- 4 from a refinery, terminal, marine vessel or bulk plant into a
- 5 transport vehicle, railroad tank car or other means of transfer
- 6 that is outside the bulk transfer/terminal system.
- 7 (66) (72) "Railroad locomotive" means any diesel-powered
- 8 equipment or machinery that rides on railroad rails and includes a
- 9 switching engine.
- 10  $\frac{(67)}{(73)}$  "Receive" means any acquisition of ownership or
- 11 possession of motor fuel.
- (68) (74) "Refiner" means any a person who owns, operates or
- 13 otherwise controls a refinery.
- (69) (75) "Refinery" means a facility for the manufacture or
- 15 reprocessing of finished or unfinished petroleum products usable as
- 16 motor fuel and from which motor fuel may be removed by pipeline or
- 17 marine vessel or at a rack.
- (70) (76) "Removal" means a physical transfer other than by
- 19 evaporation, loss or destruction. A physical transfer to a
- 20 transport vehicle or other means of conveyance outside the bulk
- 21 transfer/terminal system is complete upon delivery into the means
- 22 of conveyance.

1 (71) (77) "Retailer" means a person who sells motor fuel at 2 retail or dispenses motor fuel at a retail location.

3

4 (78) "Retailer of alternative fuel" means a person who
5 maintains storage facilities, including alternative fuel vehicle
6 commercial refueling infrastructure, for alternative fuel and who
7 sells the fuel at retail or dispenses the fuel at a retail location
8 to operate a motor vehicle.

9 (72) (79) "Special fuel" means any a gas or liquid, other than
10 gasoline, used or suitable for use as motor fuel in an internal
11 combustion engine or motor to propel any form of vehicle, machine,
12 or mechanical contrivance and includes products commonly known as
13 natural or casing-head gasoline, diesel fuel, dyed diesel fuel,
14 biodiesel fuel, transmix, and all forms of motor fuel commonly or
15 commercially known or sold as butane, propane, liquefied natural
16 gas, liquefied petroleum gas, compressed natural gas product or a
17 combination of liquefied petroleum gas and a compressed natural gas
18 product: methanol, ethanol, methanol fuel, M100, ethanol fuel,
19 E100, ethanol fuel blend, E85 and any fuel mixture that contains
20 eighty-five percent or more alcohol by volume when combined with
21 gasoline or other fuels and liquid fuel derived from coal through
22 the Fischer-Tropsch process. "Special fuel" does not include
23 alternative fuel or any petroleum product or chemical compound such

- 1 as alcohol, industrial solvent, heavy furnace oil or lubricant,
- 2 unless blended in or sold for use as motor fuel in an internal
- 3 combustion engine.
- 4  $\frac{(73)}{(80)}$  "State" or "this state" means the State of West
- 5 Virginia.
- 6  $\frac{(74)}{(81)}$  "Supplier" means a person that is:
- 7 (A) Subject to the general taxing jurisdiction of this state;
- 8 (B) Registered under Section 4101 of the Internal Revenue Code
- 9 for transactions in motor fuel in the bulk transfer/terminal
- 10 distribution system; and
- 11 (C) One of the following:
- 12 (i) A position holder in motor fuel in a terminal or refinery
- 13 in this state and may concurrently also be a position holder in
- 14 motor fuel in another state; or
- (ii) A person who receives motor fuel in this state pursuant
- 16 to a two-party exchange.
- 17 A terminal operator shall not be considered is not a supplier
- 18 based solely on the fact that the terminal operator handles motor
- 19 fuel consigned to it within a terminal.
- 20  $\frac{(75)}{(82)}$  "Tax" or "this tax" is the motor fuel excise tax
- 21 imposed by this article and includes within its meaning interest
- 22 and additions to tax and penalties unless the context requires a
- 23 more limited meaning.

- 1 (76) (83) "Taxpayer" means any a person required to file a
- 2 return for the tax imposed by this article or  $\frac{any}{a}$  person liable
- 3 for payment of the tax imposed by this article.
- 4 (77) (84) "Terminal" means a motor fuel storage and
- 5 distribution facility to which a terminal control number has been
- 6 assigned by the Internal Revenue Service, to which motor fuel is
- 7 supplied by pipeline or marine vessel and from which motor fuel may
- 8 be removed at a rack.
- 9  $\frac{(78)}{(85)}$  "Terminal operator" means a person who owns,
- 10 operates or otherwise controls a terminal.
- 11  $\frac{(79)}{(86)}$  "Transmix" means: (A) The buffer or interface
- 12 between two different products in a pipeline shipment; or (B) a mix
- 13 of two different products within a refinery or terminal that
- 14 results in an off-grade mixture.
- 15 (80) (87) "Transport vehicle" means a vehicle designed or used
- 16 to carry motor fuel over the highway and includes a straight truck,
- 17 a straight truck/trailer combination and a semitrailer combination
- 18 rig.
- 19 (81) (88) "Trustee" means a person who is licensed as a
- 20 supplier or a permissive supplier and receives tax payments from
- 21 and on behalf of another pursuant to section twenty-four of this
- 22 article.

- 1 (82) (89) "Two-party exchange" means a transaction in which
- 2 motor fuel is transferred from one licensed supplier or permissive
- 3 supplier to another licensed supplier or permissive supplier
- 4 pursuant to an exchange agreement; and
- 5 (A) Includes a transfer from the person who holds the
- 6 inventory position in taxable motor fuel in the terminal as
- 7 reflected on the records of the terminal operator;
- 8 (B) Is completed prior to removal of the product from the
- 9 terminal by the receiving exchange partner; and
- 10 (C) Is recorded on the terminal operator's books and records
- 11 with the receiving exchange partner as the supplier that removes
- 12 the motor fuel across the terminal rack for purposes of reporting
- 13 the transaction to this state.
- 14 (83) (90) "Use" means the actual consumption or receipt of
- 15 motor fuel by any a person into a motor vehicle, aircraft or
- 16 watercraft.
- 17 (84) (91) "Watercraft" means any vehicle used on waterways.
- 18 §11-14C-5. Taxes levied; rate.
- 19 (a) There is hereby levied on all motor fuel an excise tax
- 20 composed of a flat rate equal to \$.205 per invoiced gallon and, on
- 21 <u>alternative fuel</u>, on each <u>gallon equivalent</u>, plus a variable
- 22 component comprised of:

- 1 (1) On motor fuel other than alternative fuel, either the tax
  2 imposed by section eighteen-b, article fifteen of this chapter or
  3 the tax imposed under section thirteen-a, article fifteen-a of this
  4 chapter, as applicable: Provided, That the motor fuel excise tax
  5 shall take effect January 1, 2004: Provided, however, That the
  6 variable component shall be equal to five percent of the average
  7 wholesale price of the motor fuel: Provided further, That the
  8 average wholesale price shall be no less than \$.97 per invoiced
  9 gallon and is computed as hereinafter prescribed in this section:
  10 And provided further, That on and after January 1, 2010, the
  11 average wholesale price shall be no less than \$2.34 per invoiced
  12 gallon and is computed as hereinafter prescribed in this section;
  13 and
- (2) On alternative fuel, either the tax imposed by section

  15 eighteen-b, article fifteen of this chapter or the tax imposed

  16 under section thirteen-a, article fifteen-a of this chapter, as

  17 applicable. The tax on alternative fuel takes effect on January 1,

  18 2014, with a variable component equal to five percent of the

  19 average wholesale price of the alternative fuel.
- 20 (b) Determination of average wholesale price. --
- 21 (1) To simplify determining the average wholesale price of all 22 motor fuel, the Tax Commissioner shall, effective with the period 23 beginning the first day of the month of the effective date of the

1 tax and each January 1 thereafter, determine the average wholesale
2 price of motor fuel for each annual period on the basis of sales
3 data gathered for the preceding period of July 1 through October
4 31. Notification of the average wholesale price of motor fuel
5 shall be given by the Tax Commissioner at least thirty days in
6 advance of each January 1 by filing notice of the average wholesale
7 price in the State Register and by any other means as the Tax
8 Commissioner considers reasonable.

9 (2) The "average wholesale price" means the single, statewide
10 average per gallon wholesale price, rounded to the third decimal
11 (thousandth of a cent), exclusive of state and federal excise taxes
12 on each gallon of motor fuel or on each gallon equivalent of
13 alternative fuel as determined by the Tax Commissioner from
14 information furnished by suppliers, importers and distributors of
15 motor fuel and alternative fuel providers, alternative bulk
16 end-users and retailers of alternative fuel in this state, or other
17 information regarding wholesale selling prices as the Tax
18 Commissioner may gather or a combination of information. Provided,
19 That In no event shall the average wholesale price be determined to
20 be less than \$.97 per gallon of motor fuel. Provided, however,
21 That For calendar year 2009, the average wholesale price of motor
22 fuel shall not exceed the average wholesale price of motor fuel for
23 calendar year 2008 as determined pursuant to the notice filed by

- 1 the Tax Commissioner with the Secretary of State on November 21,
- 2 2007, and published in the State Register on November 30, 2007.
- 3 Provided further, That On and after January 1, 2010, in no event
- 4 shall the average wholesale price be determined to be less than
- 5 \$2.34 per gallon of motor fuel. And provided further, That On and
- 6 after January 1, 2011, the average wholesale price shall not vary
- 7 by more than ten percent from the average wholesale price of motor
- 8 fuel as determined by the Tax Commissioner for the previous
- 9 calendar year.
- 10 (3) All actions of the Tax Commissioner in acquiring data
- 11 necessary to establish and determine the average wholesale price of
- 12 motor fuel, in providing notification of his or her determination
- 13 prior to the effective date of any a change in rate, and in
- 14 establishing and determining the average wholesale price of motor
- 15 fuel may be made by the Tax Commissioner without compliance with
- 16 the provisions of article three, chapter twenty-nine-a of this
- 17 code.
- 18 (4) In <del>any</del> an administrative or court proceeding brought to
- 19 challenge the average wholesale price of motor fuel as determined
- 20 by the Tax Commissioner, his or her determination is presumed to be
- 21 correct and shall not be set aside unless it is clearly erroneous.
- (c) There is hereby levied a floorstocks tax on motor fuel
- 23 held in storage outside the bulk transfer/terminal system as of the

- 1 close of the business day preceding January 1, 2004, and upon which
- 2 the tax levied by this section has not been paid. For the purposes
- 3 of this section, "close of the business day" means the time at
- 4 which the last transaction has occurred for that day. The
- 5 floorstocks tax is payable by the person in possession of the motor
- 6 fuel on January 1, 2004. The amount of the floorstocks tax on
- 7 motor fuel is equal to the sum of the tax rate specified in
- 8 subsection (a) of this section multiplied by the gallons in storage
- 9 as of the close of the business day preceding January 1, 2004.
- 10 (1) Persons in possession of taxable motor fuel in storage
- 11 outside the bulk transfer/terminal system as of the close of the
- 12 business day preceding January 1, 2004, shall:
- 13 (A) Take an inventory at the close of the business day
- 14 preceding January 1, 2004, to determine the gallons in storage for
- 15 purposes of determining the floorstocks tax;
- 16 (B) Report no later than January 31, 2004, the gallons on
- 17 forms provided by the commissioner; and
- 18 (C) Remit the tax levied under this section no later than June
- 19 1, 2004.
- 20 (2) In the event the tax due is paid to the commissioner on or
- 21 before January 31, 2004, the person remitting the tax may deduct
- 22 from their remittance five percent of the tax liability due.

- 1 (3) In the event the tax due is paid to the commissioner after 2 June 1, 2004, the person remitting the tax shall pay, in addition 3 to the tax, a penalty in the amount of five percent of the tax
- 4 liability due.
- 5 (4) In determining the amount of floorstocks tax due under 6 this section, the amount of motor fuel in dead storage may be 7 excluded. There are two methods for calculating the amount of 8 motor fuel in dead storage:
- 9 (A) If the tank has a capacity of less than ten thousand 10 gallons, the amount of motor fuel in dead storage is two hundred 11 gallons and if the tank has a capacity of ten thousand gallons or 12 more, the amount of motor fuel in dead storage is four hundred 13 gallons; or
- (B) Use the manufacturer's conversion table for the tank after 15 measuring the number of inches between the bottom of the tank and 16 the bottom of the mouth of the drainpipe: *Provided*, That the 17 distance between the bottom of the tank and the bottom of the mouth 18 of the draw pipe is presumed to be six inches.
- (d) Every licensee who, on the effective date of any rate 20 change, has in inventory any motor fuel upon which the tax or any 21 portion thereof has been previously paid shall take a physical 22 inventory and file a report thereof with the commissioner, in the 23 format as required by the commissioner, within thirty days after

- 1 the effective date of the rate change, and shall pay to the
- 2 commissioner at the time of filing the report any additional tax
- 3 due under the increased rate.
- 4 (e) The Tax Commissioner shall determine by January 1, 2014,
- 5 the gasoline gallon equivalent for each alternative fuel by filing
- 6 a notice of the gasoline gallon equivalent in the State Register
- 7 and by other means that the Tax Commissioner considers reasonable.
- 8 The Tax Commissioner may redetermine the gasoline gallon equivalent
- 9 for each alternative fuel by filing a notice of the gasoline gallon
- 10 equivalent in the State Register at least thirty days in advance of
- 11 January 1 for the next succeeding tax year. For purposes of this
- 12 notice, the Tax Commissioner may adopt or incorporate by reference
- 13 provisions of the National Institute of Standards and Technology,
- 14 United States Department of Commerce, the Internal Revenue Code,
- 15 United States Treasury Regulations, the Internal Revenue Service
- 16 publications or guidelines or other publications or guidelines
- 17 which may be useful in determining, setting or describing the
- 18 gasoline gallon equivalent for each alternative fuel used as motor
- 19 fuel.
- 20 §11-14C-6a. Point of imposition of motor fuels tax on alternative
- 21 **fuel.**
- 22 (a) The tax levied pursuant to section five of this article is
- 23 imposed on alternative fuel without regard to whether it is sold,

- 1 transported or distributed within the bulk transfer/terminal system
- 2 or outside of the bulk transfer/terminal system.
- 3 (b) The tax levied pursuant to section five of this article is
- 4 imposed on alternative fuel that is not otherwise taxed at the
- 5 point of imposition prescribed under section six of this article at
- 6 the following points of imposition in the following order:
- 7 (1) At the time alternative fuel is withdrawn from the storage
- 8 facility including alternative fuel home refueling infrastructures
- 9 and alternative fuel commercial refueling infrastructures;
- 10 (2) If not taxed at the point of imposition described in
- 11 subdivision (1) of this subsection, then at the time alternative
- 12 fuel is sold for use in a highway vehicle;
- 13 (3) If not taxed at the point of imposition described in
- 14 subdivision (1) or at the point of imposition described in
- 15 subdivision (2) of this subsection, then at the time alternative
- 16 fuel is used in a highway vehicle.
- 17 §11-14C-9. Exemptions from tax; claiming refunds of tax.
- 18 (a) Per se exemptions from flat rate component of tax. --
- 19 Sales of motor fuel to the following, or as otherwise stated in
- 20 this subsection, are exempt per se from the flat rate of the tax
- 21 levied by section five of this article and the flat rate may not be
- 22 paid at the rack:

- 1 (1) All motor fuel exported from this state to any other state
  2 or nation: Provided, That the supplier collects and remits to the
  3 destination state or nation the appropriate amount of tax due on
  4 the motor fuel transported to that state or nation. Provided,
  5 however, That This exemption does not apply to any motor fuel
  6 which is transported and delivered outside this state in the motor
- 8 (2) Sales of aviation fuel;
- 9 (3) Sales of dyed special fuel; and

7 fuel supply tank of a highway vehicle;

- 10 (4) Sales of propane <u>unless sold for use in a motor vehicle.</u>
- 11 (b) Per se exemptions from variable component of tax. -- Sales
- 12 of motor fuel to the following are exempt per se from the variable
- 13 component of the tax levied by section five of this article and the
- 14 variable component may not be paid at the rack:
- 15 All motor fuel exported from this state to any other state or
- 16 nation: Provided, That the supplier collects and remits to the
- 17 destination state or nation the appropriate amount of tax due on
- 18 the motor fuel transported to that state or nation. Provided,
- 19 however, That This exemption does not apply to any motor fuel
- 20 which is transported and delivered outside this state in the motor
- 21 fuel supply tank of a highway vehicle.
- 22 (c) Refundable exemptions from flat rate component of tax. --
- 23 Any A person having a right or claim to any of the following

- 1 exemptions from the flat rate component of the tax levied by
- 2 section five of this article shall first pay the tax levied by this
- 3 article and then apply to the Tax Commissioner for a refund:
- 4 (1) The United States or any agency thereof: Provided, That
- 5 if the United States government, or any agency or instrumentality
- 6 thereof, does not pay the seller the tax imposed by section five of
- 7 this article on  $\frac{any}{a}$  purchase of motor fuel, the person selling
- 8 tax previously paid motor fuel to the United States government, or
- 9 its agencies or instrumentalities, may then claim a refund of the
- 10 flat rate component of tax imposed by said section five of this
- 11 article on those sales;
- 12 (2) Any A county government or unit or agency thereof;
- 13 (3)  $\frac{Any}{A}$  municipal government or any agency thereof;
- 14 (4) Any county boards A county board of education;
- 15 (5) Any An urban mass transportation authority created
- 16 pursuant to the provisions of article twenty-seven, chapter eight
- 17 of this code;
- 18 (6) Any A municipal, county, state or federal civil defense or
- 19 emergency service program pursuant to a government contract for use
- 20 in conjunction therewith or to any person on whom is imposed a
- 21 requirement a person who is required to maintain an inventory of
- 22 motor fuel for the purpose of the program: Provided, That motor
- 23 fueling facilities used for these purposes are not capable of

- 1 fueling motor vehicles and the person in charge of the program has
- 2 in his or her possession a letter of authority from the Tax
- 3 Commissioner certifying his or her right to the exemption.
- 4 Provided, however, That In order for this exemption to apply,
- 5 motor fuel sold under this subdivision and subdivisions (1) through
- 6 (5), inclusive, of this subsection shall be used in vehicles or
- 7 equipment owned and operated by the respective government entity or
- 8 government agency or authority;
- 9 (7) All invoiced gallons of motor fuel purchased by a licensed
- 10 exporter and subsequently exported from this state to any other
- 11 state or nation: Provided, That the exporter has paid the
- 12 applicable motor fuel tax to the destination state or nation prior
- 13 to claiming this refund or the exporter has reported to the
- 14 destination state or nation that the motor fuel was sold in a
- 15 transaction not subject to tax in that state or nation. Provided,
- 16 however, That A refund may not be granted on any motor fuel which
- 17 is transported and delivered outside this state in the motor fuel
- 18 supply tank of a highway vehicle;
- 19 (8) All gallons of motor fuel used and consumed in stationary
- 20 off-highway turbine engines;
- 21 (9) All gallons of special fuel used for heating any public or
- 22 private dwelling, building or other premises;
- 23 (10) All gallons of special fuel used for boilers;

- 1 (11) All gallons of motor fuel used as a dry cleaning solvent 2 or commercial or industrial solvent;
- 3 (12) All gallons of motor fuel used as lubricants, ingredients 4 or components of any a manufactured product or compound;
- 5 (13) All gallons of motor fuel sold for use or used as a motor 6 fuel for commercial watercraft;
- 7 (14) All gallons of special motor fuel sold for use or 8 consumed in railroad diesel locomotives;
- 9 (15) All gallons of motor fuel purchased in quantities of 10 twenty-five gallons or more for use as a motor fuel for internal 11 combustion engines not operated upon highways of this state;
- (16) All gallons of motor fuel purchased in quantities of twenty-five gallons or more and used to power a power take-off unit on a motor vehicle. When a motor vehicle with auxiliary equipment uses motor fuel and there is no auxiliary motor for the equipment or separate tank for a motor, the person claiming the refund may present to the Tax Commissioner a statement of his or her claim and all is allowed a refund for motor fuel used in operating a power take-off unit on a cement mixer truck or garbage truck equal to twenty-five percent of the tax levied by this article paid on all motor fuel used in such a truck;
- 22 (17) Motor fuel used by  $\frac{1}{2}$  person regularly operating  $\frac{1}{2}$  23  $\frac{1}{2}$  vehicle under a certificate of public convenience and necessity

- 1 or under a contract carrier permit for transportation of persons
- 2 when purchased in an amount of twenty-five gallons or more:
- 3 Provided, That the amount refunded is equal to \$0.6 per gallon:
- 4 Provided, however, That the gallons of motor fuel have been
- 5 consumed in the operation of urban and suburban bus lines and the
- 6 majority of passengers use the bus for traveling a distance not
- 7 exceeding forty miles, measured one way, on the same day between
- 8 their places of abode and their places of work, shopping areas or
- 9 schools; and
- 10 (18) All gallons of motor fuel that are not otherwise exempt
- 11 under subdivisions (1) through (6), inclusive, of this subsection
- 12 and that are purchased and used by any bona fide volunteer fire
- 13 department, nonprofit ambulance service or emergency rescue service
- 14 that has been certified by the municipality or county wherein the
- 15 bona fide volunteer fire department, nonprofit ambulance service or
- 16 emergency rescue service is located.
- 17 (d) Refundable exemptions from variable rate component of tax.
- 18 -- Any of the following persons may claim an exemption from the
- 19 variable rate component of the tax levied by section five of this
- 20 article on the purchase and use of motor fuel by first paying the
- 21 tax levied by this article and then applying to the Tax
- 22 Commissioner for a refund.

- 1 (1) The United States or any agency thereof: Provided, That
  2 if the United States government, or any agency or instrumentality
  3 thereof, does not pay the seller the tax imposed by section five of
  4 this article on any purchase of motor fuel, the person selling tax
  5 previously paid motor fuel to the United States government, or its
  6 agencies or instrumentalities, may then claim a refund of the
  7 variable rate of tax imposed by said section five of this article
  8 on those sales.
- 9 (2) This state and its institutions;
- 10 (3) Any  $\underline{A}$  county government or unit or agency thereof;
- 11 (4) Any A municipal government or any agency thereof;
- 12 (5) Any county boards A county board of education;
- 13 (6) Any An urban mass transportation authority created 14 pursuant to the provisions of article twenty-seven, chapter eight 15 of this code;
- (7) Any A municipal, county, state or federal civil defense or emergency service program pursuant to a government contract for use in conjunction therewith, or to any person on whom is imposed a requirement a person who is required to maintain an inventory of motor fuel for the purpose of the program: Provided, That fueling facilities used for these purposes are not capable of fueling motor vehicles and the person in charge of the program has in his or her

- 1 possession a letter of authority from the Tax Commissioner 2 certifying his or her right to the exemption;
- 3 (8) Any A bona fide volunteer fire department, nonprofit
  4 ambulance service or emergency rescue service that has been
  5 certified by the municipality or county wherein where the bona fide
  6 volunteer fire department, nonprofit ambulance service or emergency
  7 rescue service is located; or
- 8 (9) All invoiced gallons of motor fuel purchased by a licensed 9 exporter and subsequently exported from this state to any other 10 state or nation: *Provided*, That the exporter has paid the 11 applicable motor fuel tax to the destination state or nation prior 12 to claiming this refund. *Provided*, *however*, That A refund may not 13 be granted on any motor fuel which is transported and delivered 14 outside this state in the motor fuel supply tank of a highway 15 vehicle.
- (e) The provision in subdivision (9), subsection (a), section 17 nine, article fifteen of this chapter that exempts as a sale for 18 resale those sales of gasoline and special fuel by a distributor or 19 importer to another distributor does not apply to sales of motor 20 fuel under this article.
- 21 PART 3. MOTOR FUEL LICENSING.
- 22 §11-14C-10. Persons required to be licensed.

- 1 (a) A person shall obtain the appropriate license or licenses
- 2 issued by the commissioner before conducting the activities of:
- 3 (1) A supplier which includes a refiner;
- 4 (2) A permissive supplier;
- 5 (3) An importer;
- 6 (4) An exporter;
- 7 (5) A terminal operator;
- 8 (6) A blender;
- 9 (7) A motor fuel transporter; or
- 10 (8) A distributor;
- 11 (9) A producer/manufacturer;
- 12 (10) An alternative fuel bulk end-user;
- 13 (11) A provider of alternative fuel; or
- 14 (12) A retailer of alternative fuel.
- 15 (b) A person who is engaged in more than one activity for
- 16 which a license is required shall have a separate license for each
- 17 activity, except as otherwise determined by the commissioner.
- 18 §11-14C-13. Bond requirements.
- 19 (a) There shall be filed with Along with an application for a
- 20 license required by section eleven of this article, either a cash
- 21 bond or a continuous surety bond in the amount or amounts specified
- 22 in this section shall be filed. *Provided*, That If a person has
- 23 filed applications for licenses for more than one activity, the

1 commissioner may combine the amount of the cash bond or continuous 2 surety bond required for each licensed activity into one amount 3 that shall be no less than the largest amount required for any of 4 those activities for which the license applications are filed. 5 Provided, however, That If a continuous surety bond is filed, an 6 annual notice of renewal shall be filed thereafter. Provided 7 further, That If the continuous surety bond includes the 8 requirements that the commissioner is to be notified 9 cancellation at least sixty days prior to the continuous surety 10 bond being canceled, an annual notice of renewal is not required. 11 The bond, whether a cash bond or a continuous surety bond, shall be 12 <u>is</u> conditioned upon compliance with the requirements of this 13 article, be payable to this state and be in the form required by 14 the commissioner. The amount of the bond is as follows: 15 (1) For a supplier license, the amount shall be a minimum of 16 \$100,000 or an amount equal to three months' tax liability, 17 whichever is greater, *Provided*, That the amount <u>but</u> shall not 18 exceed \$2 million: Provided, however, That When required by the 19 commissioner to file a cash bond or a continuous surety bond in an amount, the 20 additional licensee shall comply with 21 commissioner's notification within thirty days after receiving that 22 notification;

- 1 (2) For a permissive supplier license, the amount shall be a 2 minimum of \$100,000 or an amount equal to three months' tax 3 liability, whichever is greater, *Provided*, That the amount but 4 shall not exceed \$2 million. *Provided*, however, That When required 5 by the commissioner to file a cash bond or a continuous surety bond 6 in an additional amount, the licensee shall comply with the 7 commissioner's notification within thirty days after receiving that 8 notification;
- 9 (3) For a terminal operator license, the amount shall be a 10 minimum of \$100,000 or an amount equal to three months' tax 11 liability, whichever is greater, *Provided*, That the amount but 12 shall not exceed \$2 million. *Provided*, however, That When required 13 by the commissioner to file a cash bond or a continuous surety bond 14 in an additional amount, the licensee shall comply with the 15 commissioner's notification within thirty days after receiving that 16 notification;
- (4) For an importer license for a person, other than a supplier, that imports by transport vehicle or another means of transfer outside the bulk transfer/terminal system motor fuel removed from a terminal located in another state in which: (A) The state from which the motor fuel is imported does not require the seller of the motor fuel to collect a motor fuel excise tax on the removal either at that state's rate or the rate of the destination

1 state; and (B) the seller of the motor fuel is not a permissive

2 supplier, the amount shall be a minimum of \$100,000 or an amount

3 equal to three months' tax liability, whichever is greater,

4 Provided, That the amount but shall not exceed \$2 million.

5 Provided, however, That When required by the commissioner to file

6 a cash bond or a continuous surety bond in an additional amount,

7 the licensee shall comply with the commissioner's notification

8 within thirty days after receiving that notification;

(5) For an importer license for a person that imports by vehicle outside 10 transport or another means the bulk 11 transfer/terminal system motor fuel removed from a terminal located 12 in another state in which: (A) The state from which the motor fuel 13 is imported requires the seller of the motor fuel to collect a 14 motor fuel excise tax on the removal either at that state's rate or 15 the rate of the destination state; or (B) the seller of the motor 16 fuel is a permissive supplier, the amount shall be a minimum of 17 \$2,000 or an amount equal to three months' tax liability, whichever Provided, That the amount but shall not exceed 18 is greater, 19 \$300,000. Provided, however, That When required by the 20 commissioner to file a cash bond or a continuous surety bond in an 21 additional amount, the licensee shall comply with 22 commissioner's notification within thirty days after receiving that 23 notification;

- 1 (6) For a license as both a distributor and an importer as 2 described in subdivision (4) of this subsection, the amount shall 3 be a minimum of \$100,000 or an amount equal to three months' tax 4 liability, whichever is greater, *Provided*, That the amount but 5 shall not exceed \$2 million. *Provided*, however, That When required 6 by the commissioner to file a cash bond or a continuous surety bond 7 in an additional amount, the licensee shall comply with the 8 commissioner's notification within thirty days after receiving that 9 notification:
- (7) For a license as both a distributor and an importer as described in subdivision (5) of this subsection, the amount shall be a minimum of \$2,000 or an amount equal to three months' tax liability, whichever is greater, *Provided*, That the amount but shall not exceed \$300,000. *Provided*, however, That When required by the commissioner to file a cash bond or a continuous surety bond in an additional amount, the licensee shall comply with the commissioner's notification within thirty days after receiving that notification;
- (8) For an exporter license, the amount shall be a minimum of 20 \$2,000 or an amount equal to three months' tax liability, whichever 21 is greater, *Provided*, That the amount <u>but</u> shall not exceed 22 \$300,000. *Provided*, *however*, That When required by the 23 commissioner to file a cash bond or a continuous surety bond in an

- 1 additional amount, the licensee shall comply with the
- 2 commissioner's notification within thirty days after receiving that
- 3 notification;
- 4 (9) For a blender license, the amount shall be a minimum of
- 5 \$2,000 or an amount equal to three months' tax liability, whichever
- 6 is greater, Provided, That the amount but shall not exceed
- 7 \$300,000. Provided, however, That When required by the
- 8 commissioner to file a cash bond or a continuous surety bond in an
- 9 additional amount, the licensee shall comply with the
- 10 commissioner's notification within thirty days after receiving that
- 11 notification;
- 12 (10) For a distributor license, the amount shall be a minimum
- 13 of \$2,000 or an amount equal to three months' tax liability,
- 14 whichever is greater, Provided, That the amount but shall not
- 15 exceed \$300,000. Provided, however, That When required by the
- 16 commissioner to file a cash bond or a continuous surety bond in an
- 17 additional amount, the licensee shall comply with the
- 18 commissioner's notification within thirty days after receiving that
- 19 notification;
- 20 (11) For a motor fuel transporter license, there shall be is
- 21 no bond; and
- 22 (12) For a producer/manufacturer license, there is no bond. If
- 23 the taxpayer fails to file a return or remit tax due under this

1 article, the commissioner may require a cash bond or a continuous 2 surety bond in an amount to be determined by the commissioner. When 3 required by the commissioner to file a cash bond or a continuous 4 surety bond, the licensee shall comply with the commissioner's 5 notification within thirty days after receiving that notification; (13) For an alternative fuel bulk end-user, a provider of 6 7 alternative fuel and a retailer of alternative fuel, there is no 8 bond. If the taxpayer fails to file a return or remit tax due under 9 this article, the commissioner may require a cash bond or a 10 continuous surety bond in an amount to be determined by the 11 commissioner. When required by the commissioner to file a cash 12 bond or a continuous surety bond, the licensee shall comply with 13 the commissioner's notification within thirty days after receiving 14 that notification; and (12) (14) An applicant for a licensed activity listed under 15 16 subdivisions (1) through (10), inclusive, of this subsection may, 17 in lieu of posting either the cash bond or continuous surety bond 18 required by this subsection, provide proof of financial 19 responsibility acceptable to the commissioner. Provided, That The 20 proof of financial responsibility shall must demonstrate the 21 absence of circumstances indicating risk with the collection of 22 taxes from the applicant. Provided, however, That the following

- 1 shall constitute The following constitutes proof of financial 2 responsibility:
- 3 (A) Proof of \$5 million net worth shall constitute constitutes
  4 evidence of financial responsibility in lieu of posting the
  5 required bond;
- 6 (B) Proof of \$2,500,000 net worth constitutes financial 7 responsibility in lieu of posting fifty percent of the required 8 bond; and
- 9 (C) Proof of \$1,250,000 net worth constitutes financial 10 responsibility in lieu of posting twenty-five percent of the 11 required bond. Net worth is calculated on a business, not 12 individual basis.
- (13) (15) In lieu of providing either cash bond, a continuance surety bond or proof of financial responsibility acceptable to the commissioner, an applicant for a licensed activity listed under this subsection that has established with the state tax division a good filing record that is accurate, complete and timely for the preceding eighteen months shall be granted a waiver of the requirement to file either a cash bond or continuance surety bond. Provided, That When a licensee that has been granted a waiver of the requirement to file a bond violates a provision of this article, the licensee shall file the applicable bond as stated in this subsection.

- (14) (16) Any A licensee who disagrees with the commissioner's decision requiring new or additional security may seek a hearing by filing a petition with the Office of Tax Appeals in accordance with the provisions of section nine, article ten-a of this chapter. Provided, That The hearing shall be provided within thirty days after receipt by the office of tax appeals of the petition. for the hearing.
- 8 (b) The surety must be authorized under article nineteen,
  9 chapter thirty-three of this code to engage in business of
  10 transacting surety insurance within this state. The cash bond and
  11 the continuous surety bond are conditioned upon faithful compliance
  12 with the provisions of this article, including the filing of the
  13 returns and payment of all tax prescribed by this article. The
  14 cash bond and the continuous surety bond shall be approved by the
  15 commissioner as to sufficiency and form and shall indemnify the
  16 state against any loss arising from the failure of the taxpayer to
  17 pay, for any cause whatever, the motor fuel excise tax levied by
  18 this article.
- (c) Any Surety on a continuous surety bond furnished hereunder shall be is relieved, released and discharged from all liability accruing on the bond after the expiration of sixty days from the date the surety shall have lodged, by certified mail, with the commissioner, a written request to be discharged. Discharge from

1 the continuous surety bond shall does not relieve, release or 2 discharge the surety from liability already accrued or which shall 3 will accrue before the expiration of the sixty-day period. 4 Whenever any a surety seeks discharge as herein provided, it is the 5 duty of the principal of the bond to supply the commissioner with 6 another continuous surety bond or a cash bond prior to the 7 expiration of the original bond. Failure to provide a new 8 continuous surety bond or a cash bond shall result in the

9 commissioner canceling each license and registration previously

10 issued to the person.

(d) Any A taxpayer that has furnished a cash bond hereunder shall be is relieved, released and discharged from all liability accruing on the cash bond after the expiration of sixty days from the date the taxpayer shall have lodged, by certified mail, with the commissioner, a written request to be discharged and the amount of the cash bond refunded. Provided, That The commissioner may retain all or part of the cash bond until such time as the commissioner may perform the commissioner performs an audit of the taxpayer's business or three years, whichever first occurs. Discharge from the cash bond shall not relieve, release or discharge the taxpayer from liability already accrued or which shall will accrue before the expiration of the sixty-day period. Whenever any a taxpayer seeks discharge as herein provided, it is

- 1 the duty of the taxpayer to provide the commissioner with another
- 2 cash bond or a continuous surety bond prior to the expiration of
- 3 the original cash bond. Failure to provide either a new cash bond
- 4 or a continuous surety bond shall result in the commissioner
- 5 canceling each license and registration previously issued to the
- 6 taxpayer.
- 7 PART 4. PAYMENT AND REPORTING OF TAX ON MOTOR FUEL.
- 8 §11-14C-19. When tax return and payment are due.
- 9 (a) The tax levied by this article shall be paid by each
- 10 taxpayer on or before the last day of the calendar month by check,
- 11 bank draft or money order payable to the commissioner for the
- 12 amount of tax due, if any, for the preceding month. Provided, That
- 13 The commissioner may require all or certain taxpayers to file tax
- 14 returns and payments electronically. The return required by the
- 15 commissioner shall accompany the payment of tax. Provided,
- 16 however, That If no tax is due, the return required by the
- 17 commissioner shall be completed and filed before the last day of
- 18 the calendar month for the preceding month.
- 19 (b) The following shall file a monthly return as required by
- 20 this section:
- 21 (1) A terminal operator;
- 22 (2) A supplier;
- 23 (3) An importer;

- 1 (4) A blender;
- 2 (5) A person incurring liability under section eight of this
- 3 article for the backup tax on motor fuel;
- 4 (6) A permissive supplier;
- 5 (7) A motor fuel transporter; and
- 6 (8) An exporter; and
- 7 (9) A producer/manufacturer.
- 8 (c)(1) For the calendar years beginning January 1, 2014, the
- 9 tax levied by this article on alternative fuel that is subject to
- 10 tax at the point of imposition prescribed in section 6a of this
- 11 article, shall be paid by the alternative fuel bulk end-user,
- 12 provider of alternative fuel or retailer of alternative fuel on or
- 13 before January 31 of every year, unless determined by the
- 14 commissioner that payment must be made more frequently, by check,
- 15 bank draft, or money order payable to the commissioner for the
- 16 amount of tax due. The commissioner may require all or certain
- 17 taxpayers to file tax returns and payments electronically. The
- 18 return required by the commissioner shall accompany the payment of
- 19 tax. If no tax is due, the return required by the commissioner
- 20 shall be completed and filed before January 31.
- 21 ARTICLE 15. CONSUMER SALES AND SERVICE TAX.
- 22 §11-15-18b. Tax on motor fuel effective January 1, 2004.

- (a) General. -- Effective January 1, 2004, all sales of motor

  fuel and alternative fuel subject to the flat rate of the tax

  imposed by section five, article fourteen-c of this chapter, are

  subject to the tax imposed by this article which shall comprise and

  comprises the variable component of the tax imposed by said section

  five, article fourteen-c of this chapter and be is collected and

  remitted at the time the tax imposed by said section is remitted.

  Sales of motor fuel and alternative fuel upon which the tax imposed

  by this article has been paid shall not thereafter be is not again

  taxed under the provisions of this article. This section is

  construed so means that all gallons of motor fuel and equivalent

  gallons of alternative fuel sold and delivered or delivered in this

  state are taxed one time.
- 14 (b) *Measure of tax.* -- The measure of tax imposed by this 15 article is as follows:
- (1) On sales of motor fuel, is the average wholesale price as defined and determined in section five, article fourteen-c of this that the tax imposed by this article is generally imposed on gross proceeds from sales to ultimate consumers, whereas the tax on motor fuel herein is imposed on the average wholesale price of the motor fuel; in no case, for the purposes of taxation under this article, shall may the average wholesale price be

- 1 determined to be less than \$.97 per gallon of motor fuel for all
- 2 gallons of motor fuel sold during the reporting period,
- 3 notwithstanding any provision of this article to the contrary.
- 4 Provided, That On and after January 1, 2010, for the purpose of
- 5 taxation under this article, in no case shall may the average
- 6 wholesale price be determined to be less than \$2.34 per gallon of
- 7 motor fuel for all gallons of motor fuel sold during the reporting
- 8 period notwithstanding any provision of this article to the
- 9 contrary.
- 10 (2) On sales of alternative fuel, the average wholesale price
- 11 as defined and determined in section five, article fourteen-c of
- 12 this chapter.
- 13 (c) Definitions. -- For purposes of this article, the terms
- 14 "gasoline" and "special fuel" are defined as provided in section
- 15 two, article fourteen-c of this chapter. Other terms used in this
- 16 section have the same meaning as when used in a similar context in
- 17 said article. "Alternative fuel" as defined in section two,
- 18 article fourteen-c of this chapter is taxable in accordance with
- 19 this article and article fourteen-c of this chapter.
- 20 (d) Tax return and tax due.
- 21 (1) The tax imposed by this article on sales of motor fuel
- 22 shall be paid by each taxpayer on or before the last day of the
- 23 calendar month by check, bank draft, certified check or money order

1 payable to the Tax Commissioner for the amount of tax due for the
2 preceding month notwithstanding any provision of this article to
3 the contrary. *Provided*, That The commissioner may require all or
4 certain taxpayers to file tax returns and payments electronically.
5 The return required by the commissioner shall accompany the payment
6 of tax. *Provided*, *however*, That If no tax is due, the return
7 required by the commissioner shall be completed and filed on or
8 before the last day of the month.

9

(2) (A) For the calendar years beginning January 1, 2014, through and including the calendar year ending December 31, 2020, the tax imposed by this article on sales of alternative fuel subject to tax at the point of imposition prescribed in section six-a, article fourteen-c, of this chapter, shall be paid by each taxpayer annually on or before the thirty-first day of January by check, bank draft, certified check or money order payable to the Tax Commissioner for the amount of tax due for the preceding calendar year notwithstanding any provision of this article to the contrary. The commissioner may require all or certain taxpayers to file tax returns and payments electronically. The return required by the commissioner shall accompany the payment of tax. If no tax is due, the return required by the commissioner shall be completed and filed on or before January 31.

1 (B) For the calendar year beginning January 1, 2021, and 2 thereafter, the tax imposed by this article on sales of alternative 3 fuel subject to tax at the point of imposition prescribed in 4 section six-a, article fourteen-c, of this chapter, shall be paid 5 by each taxpayer on or before the last day of the calendar month by 6 check, bank draft, or money order payable to the commissioner for 7 the amount of tax due, if any, for the preceding month. The 8 commissioner may require all or certain taxpayers to file tax 9 returns and payments electronically. The return required by the 10 commissioner shall accompany the payment of tax. Provided, 11 however, That If no tax is due, the return required by the 12 commissioner shall be completed and filed before the last day of 13 the calendar month for the preceding month. (e) Compliance. -- To facilitate ease of administration and 14 15 compliance by taxpayers, the Tax Commissioner shall require persons 16 liable for the tax imposed by this article on sales of motor fuel 17 to file a combined return and make a combined payment of the tax 18 due under this article on sales of motor fuel and the tax due under 19 article fourteen-c of this chapter on motor fuel. In order to 20 encourage use of a combined return each month and the making of a 21 single payment each month for both taxes, the due date of the 22 return and tax due under said article fourteen-c of this chapter is 23 the last day of each month notwithstanding any provision in said

- 1 article to the contrary. The Tax Commissioner may prescribe
- 2 reporting and payment requirements for tax due under this article
- 3 on alternative fuel which accommodate the due dates and
- 4 requirements prescribed in this article and article fourteen-c of
- 5 this chapter, either under a separate return and payment or a
- 6 combined return and payment, within the discretion of the Tax
- 7 Commissioner.
- (f) Dedication of tax. -- All tax collected under the 9 provisions of this section, after deducting the amount of any 10 refunds lawfully paid, shall be deposited in the road fund in the 11 State Treasurer's office and used only for the purpose of 12 construction, reconstruction, maintenance and repair of highways 13 and payment of principal and interest on state bonds issued for 14 highway purposes. Provided, That Notwithstanding any provision to 15 the contrary, any tax collected on the sale of aviation fuel after 16 deducting the amount of any refunds lawfully paid shall be 17 deposited in the State Treasurer's office and transferred to the 18 State Aeronautical Commission to be used for the purpose of 19 matching federal funds available for the reconstruction, 20 maintenance and repair of public airports and airport runways.
- 21 (g) Construction. -- This section is not construed as taxing
- 22 any does not tax a sale of motor fuel which this state is

- 1 prohibited from taxing under the constitution of this state or the 2 constitution or laws of the United States.
- 3 (h) Effective date. -- The provisions of this section take
- 4 effect on January 1, 2004. The provisions of this section enacted
- 5 during the 2007 legislative session take effect on January 1, 2008.
- 6 The provisions of this section enacted during the 2013 regular
- 7 <u>legislative session take effect on January 1, 2014.</u>
- 8 ARTICLE 15A. USE TAX.
- 9 §11-15A-13a. Tax on motor fuel effective January 1, 2004.
- 10 (a) Imposition of tax. --
- 11 (1) On deliveries in this state. -- Effective January 1, 2004,
- 12 all motor fuel furnished or delivered within this state which is
- 13 subject to the flat rate of the tax imposed by section five,
- 14 article fourteen-c of this chapter is subject to the tax imposed by
- 15 this article which shall comprise comprises the variable component
- 16 of the tax imposed by the said section five, article fourteen-c,
- 17 and shall be collected and remitted at the time the tax imposed by
- 18 the said section five, article fourteen-c is remitted. Provided,
- 19 That The amount of tax due under this article shall in no event not
- 20 be less than five percent of the average wholesale price of motor
- 21 fuel as determined in accordance with said section five, article
- 22 fourteen-c.

- 2 Effective January 1, 2004, an excise tax is hereby imposed on the 3 importation into this state of motor fuel purchased outside this 4 state when the purchase is subject to the flat rate of the tax 5 imposed by section five, article fourteen-c of this chapter. 6 Provided, That The rate of the tax due under this article shall in 7 no event not be less than five percent of the average wholesale 8 price of the motor fuel, as determined in accordance with said 9 section five, article fourteen-c. Provided, however, That The 10 motor fuel subject to the tax imposed by this article shall 11 comprise comprises the variable component of the tax imposed by the 2 said section five, article fourteen-c, and shall be collected and 13 remitted by the said section five, article fourteen-c.
- (3) On other purchases out-of-state. -- An excise tax is

  16 hereby imposed on the use or consumption in this state of motor

  17 fuel purchased outside this state at the rate of five percent of

  18 the average wholesale price of the motor fuel, as determined in

  19 accordance with section five, article fourteen-c of this chapter.

  20 Provided, That Motor fuel contained in the fuel supply tank of a

  21 motor vehicle that is not a motor carrier shall not be is not

  22 taxable except that motor fuel imported in the fuel supply tank or

  23 auxiliary tank of construction equipment, mining equipment, track

- 1 maintenance equipment or other similar equipment,  $\frac{1}{2}$  shall be  $\frac{1}{2}$  taxed
- 2 in the same manner as that in the fuel supply tank of a motor
- 3 carrier.
- 4 (4) On use of alternative fuel Effective January 1, 2014,
- 5 an excise tax is imposed on alternative fuel used within this state
- 6 which is subject to the flat rate of the tax imposed by section
- 7 five, article fourteen-c of this chapter. Alternative fuel is
- 8 subject to the tax imposed by this article and comprises the
- 9 variable component of the tax imposed by the section five, article
- 10 fourteen-c of this chapter and shall be collected and remitted at
- 11 the time the tax imposed by section five, article fourteen-c of
- 12 this chapter is remitted. *Provided*, That The amount of tax due
- 13 under this article shall not be less than five percent of the
- 14 average wholesale price of alternative fuel as determined in
- 15 accordance with section five, article fourteen-c of this chapter.
- 16 (b) Definitions. -- For purposes of this article, the terms
- 17 "gasoline" and "special fuel" are defined as provided in section
- 18 two, article fourteen-c of this chapter. Other terms used in this
- 19 section have the same meaning as when used in a similar context in
- 20 article fourteen-c of this chapter.
- 21 (c) Computation of tax due from motor carriers. -- Every
- 22 person who operates or causes to be operated a motor carrier in
- 23 this state shall pay the tax imposed by this section on the average

- 1 wholesale price of all gallons or equivalent gallons of motor fuel
- 2 used in the operation of  $\frac{any}{a}$  motor carrier within this state,
- 3 under the following rules:
- 4 (1) The total amount of motor fuel used in the operation of
- 5 the motor carrier within this state is that proportion of the total
- 6 amount of motor fuel used in any a motor carrier's operations
- 7 within and without this state, that the total number of miles
- 8 traveled within this state bears to the total number of miles
- 9 traveled within and without this state.
- 10 (2) A motor carrier shall first determine the gross amount of
- 11 tax due under this section on the average wholesale value,
- 12 determined under section five, article fourteen-c of this chapter,
- 13 of all motor fuel used in the operation of the motor carrier within
- 14 this state during the preceding quarter, as if all gasoline and
- 15 special fuel had been purchased outside this state.
- 16 (3) Next, the taxpayer shall determine the total tax paid
- 17 under article fifteen of this chapter on all motor fuel purchased
- 18 in this state for use in the operation of the motor carrier.
- 19 (4) The difference between (2) and (3) is the amount of tax
- 20 due under this article when (2) is greater than (3), or the amount
- 21 to be refunded or credited to the motor carrier when (3) is greater
- 22 than (2), which refund or credit is allowed in the same manner and

1 under the same conditions as a refund or credit is allowed for the 2 tax imposed by article fourteen-a of this chapter.

- (d) Return and payment of tax. -- Tax due under this article 4 on the uses or consumption in this state of motor fuel shall be 5 paid by each taxpayer on or before January 25, April 25, July 25 6 and October 25 of each year, notwithstanding any provision of this 7 article to the contrary, by check, bank draft, certified check or 8 money order, payable to the Tax Commissioner, for the amount of tax 9 due for the preceding quarter. Provided, That The tax due under 10 this article that comprises comprising the variable component of 11 the tax due under article fourteen-c of this chapter is due on the 12 last day of the month. Every taxpayer shall make and file with his 13 or her remittance, a return showing the information the Tax 14 Commissioner requires. The tax due under this article comprising 15 the variable component of the tax due under article fourteen-c of 16 this chapter on alternative fuel, is due and shall be collected and 17 remitted at the time the tax imposed by section five, article 18 fourteen-c of this chapter is due, collected and remitted.
- (e) Compliance. -- To facilitate ease of administration and compliance by taxpayers, the Tax Commissioner shall require motor carriers liable for the taxes imposed by this article on the use of motor fuel in the operation of motor carriers within this state, and the tax imposed by article fourteen-a of this chapter on such

- 1 gallons of motor fuel, to file a combined return and make a
  2 combined payment of the tax due under this article and article
  3 fourteen-a of this chapter on the fuel. In order to encourage use
  4 of a combined return and the making of a single payment each
  5 quarter for both taxes, the due date of the return and tax due
  6 under article fourteen-a of this chapter is the last day of
  7 January, April, July and October of each calendar year: Provided,
  8 That the Tax Commissioner may prescribe reporting and payment
  9 requirements for tax due under this article on alternative fuel
  10 which accommodate the due dates and requirements prescribed in this
  11 article and article fourteen-c of this chapter, either under a
  12 separate return and payment or a combined return and payment,
  13 within the discretion of the Tax Commissioner.
- (f) Dedication of tax to highways. -- All Tax collected under the provisions of this section, after deducting the amount of any refunds lawfully paid, shall be deposited in the "road fund" in the Tax to Treasurer's office and used only for the purpose of construction, reconstruction, maintenance and repair of highways and payment of principal and interest on state bonds issued for highway purposes.
- 21 (g) Construction. -- The tax imposed by this article on the 22 use of motor fuel in this state is not construed as taxing any does 23 not tax motor fuel which the state is prohibited from taxing under

1 the Constitution of this state or the Constitution or laws of the

2 United States.

- 3 (h) Effective date. -- The provisions of this section take
- 4 effect January 1, 2004. The provisions of this section enacted
- 5 during the 2013 legislative session take effect on January 1, 2014.

NOTE: The purpose of this bill is to provide a framework for computation, payment and reporting of the Motor Fuel Excise Tax on alternative fuels.

\$11-14C-6a is new; therefore, strike-throughs and underscoring have been omitted.

Strike throughs indicate language that would be stricken from the present law and underscoring indicates new language that would be added.