

Act No. 52  
Public Acts of 1995  
Approved by the Governor  
May 21, 1995  
Filed with the Secretary of State  
May 22, 1995

**STATE OF MICHIGAN  
88TH LEGISLATURE  
REGULAR SESSION OF 1995**

Introduced by Reps. Dalman, Horton, Green, DeLange, Palamara, Profit, Porreca, Voorhees, Ryan, Bobier, Jaye and Baade

# **ENROLLED HOUSE BILL No. 4454**

AN ACT to amend section 22 of Act No. 150 of the Public Acts of 1927, entitled as amended "An act to prescribe a privilege tax for the use of the public highways by owners and drivers of motor vehicles by imposing a specific tax upon the sale or use, within the state of Michigan, of motor fuel; to prescribe the manner and the time of paying this tax and the duties of officials and others respecting the payment and collection of this tax; to provide for the licensing of wholesale distributors, certain retail dealers, exporters, and suppliers as defined in this act; to fix a time when this tax and interest and penalties thereon become a lien upon the property of persons, firms, partnerships, associations, or corporations, subject to the payment of this tax; to provide for the enforcement of this lien; to permit the inspection and testing of petroleum products; to provide for certain exemptions and refunds and for the disposition of the proceeds of this tax; and to prescribe penalties for the violation of this act," as amended by Act No. 225 of the Public Acts of 1992, being section 207.122 of the Michigan Compiled Laws.

*The People of the State of Michigan enact:*

Section 1. Section 22 of Act No. 150 of the Public Acts of 1927, as amended by Act No. 225 of the Public Acts of 1992, being section 207.122 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 22. (1) There shall be allowed a discount of 6 cents per gallon of the tax imposed on diesel motor fuel pursuant to section 2(1) if the diesel motor fuel is delivered into the fuel supply tanks of a commercial motor vehicle licensed under the motor carrier fuel tax act, Act No. 119 of the Public Acts of 1980, being sections 207.211 to 207.235 of the Michigan Compiled Laws.

(2) The tax on diesel motor fuel sold and delivered in this state by the retailer into the fuel supply tanks of motor vehicles shall be collected by the supplier and paid over monthly to the department except that the retail dealer shall pay over monthly to the department 6 cents of the tax imposed under section 2 for each gallon sold for delivery into or supplied into the fuel supply tanks of a motor vehicle that is not a commercial motor vehicle licensed under Act No. 119 of the Public Acts of 1980 and eligible for discount allowed under subsection (1). Each diesel motor fuel retailer shall invoice sales of diesel motor fuel as prescribed by the department. Persons operating passenger vehicles of a capacity of 10 or more under a certificate of public convenience and necessity issued by the Michigan public service commission, or under a municipal franchise, license, permit, agreement, or grant, respectively, and operating over regularly traveled routes expressly provided for in the certificate of convenience and necessity, or municipal license, permit, agreement, or grant, shall be entitled to a refund of the tax paid in the manner provided in section 12. Refunds provided for under this section to a state certificated operator of an intercity motor bus, shall apply only to those gallons of diesel motor fuel producing mileage traveled by each intercity motor bus over regular routes or on charter trips or portions of charter trips within this state. The tax shall apply to diesel motor fuel delivered in this state into the storage of a user or acquired by a user in any manner.

(3) An end use purchaser who has paid the tax on diesel motor fuel may claim a refund of the tax paid on diesel motor fuel used by the purchaser while operating a motor vehicle at a plant or jobsite while not on the public roads and highways of this state. The department may determine the formulae, methodology, and documentation necessary to implement this subsection.

(4) A tax is not imposed under this act, nor shall a tax be collected, on diesel motor fuel used in motor vehicles owned by or leased and operated by a political subdivision of this state, or motor vehicles owned and operated by this state or the federal government.

(5) The purchaser of diesel motor fuel for use in school buses owned and operated by nonprofit private, parochial, or denominational schools, colleges, and universities and used in the transportation of students to and from school, and to and from school functions authorized by the administration of the eligible institution, shall be entitled to a refund of the tax paid in the manner provided in section 12. This subsection shall apply to purchases made after December 31, 1994 for which the documentation required by section 12 is furnished.

(6) A tax is not imposed under this act, nor shall a tax be collected by a supplier of diesel motor fuel if the fuel is purchased by an end user for any of the following purposes or for resale to an end user for any of the following purposes:

- (a) For off-highway use.
- (b) For use as a home heating oil.
- (c) For export in compliance with section 3.
- (d) For use as other than motor fuel.
- (e) For use in trains.

This act is ordered to take immediate effect.

-----  
Clerk of the House of Representatives.

-----  
Secretary of the Senate.

Approved -----

-----  
Governor.