

SENATE BILL No. 862

September 23, 2009, Introduced by Senator GILBERT and referred to the Committee on Transportation.

A bill to amend 1980 PA 119, entitled
"Motor carrier fuel tax act,"
by amending section 2 (MCL 207.212), as amended by 2006 PA 346.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) A motor carrier licensed under this act shall pay
2 a road tax calculated on the amount of motor fuel consumed in
3 qualified commercial motor vehicles on the public roads or highways
4 within this state. ~~Except as otherwise provided under subsection~~
5 ~~(6), the~~ **THE** tax shall be at the rate of ~~15~~ **19** cents per gallon on
6 motor fuel consumed on the public roads or highways within this
7 state. In addition, qualified commercial motor vehicles licensed
8 under this act that travel in interstate commerce will be subject
9 to the definition of taxable motor fuels and rates as defined by

1 the respective international fuel tax agreement member
2 jurisdictions. A return shall be filed, and the tax due paid,
3 quarterly to the department on or before the last day of January,
4 April, July, and October of each year on a form prescribed and
5 furnished by the department. Each quarterly return and tax payment
6 shall cover the liability for the annual quarter ending on the last
7 day of the preceding month.

8 (2) The amount of motor fuel consumed in the operation of a
9 motor carrier on public roads or highways within this state shall
10 be determined by dividing the miles traveled within Michigan by the
11 average miles per gallon of motor fuel. The average miles per
12 gallon of motor fuel shall be determined by dividing the miles
13 traveled within and outside of Michigan by the total amount of
14 motor fuel consumed within and outside of Michigan.

15 (3) In the absence of records showing the average number of
16 miles operated per gallon of motor fuel, it shall be presumed that
17 1 gallon of motor fuel is consumed for every 4 miles traveled.

18 (4) The quarterly tax return shall be accompanied by a
19 remittance covering any tax due.

20 (5) The commissioner, when he or she considers it necessary to
21 ensure payment of the tax or to provide a more efficient
22 administration of the tax, may require the filing of returns and
23 payment of the tax for other than quarterly periods.

24 ~~—— (6) The road tax required under this section shall be at a~~
25 ~~rate of 12 cents per gallon for diesel fuel that contains at least~~
26 ~~5% biodiesel. As used in this subsection, "biodiesel" means a fuel~~
27 ~~composed of mono-alkyl esters of long chain fatty acids derived~~

1 ~~from vegetable oils or animal fats and, in accordance with~~
2 ~~standards specified by the American society for testing and~~
3 ~~materials, designated B100 and meeting the requirements of D-6751,~~
4 ~~as approved by the department of agriculture.~~

5 ~~—— (7) Beginning on September 1, 2006, the state treasurer shall~~
6 ~~annually determine, for the 12 month period ending May 1 and for~~
7 ~~any additional times that the treasurer may determine, the~~
8 ~~difference between the amount of motor fuel tax collected and the~~
9 ~~amount of motor fuel tax that would have been collected but for the~~
10 ~~differential rates on motor fuel in section 8 of the motor fuel tax~~
11 ~~act, 2000 PA 403, MCL 207.1008, and on motor fuel in subsection~~
12 ~~(6). Subsection (6) is no longer effective the earlier of 10 years~~
13 ~~after September 1, 2006 or the first day of the first month that is~~
14 ~~not less than 90 days after the state treasurer certifies that the~~
15 ~~total cumulative rate differential due to the differential rates in~~
16 ~~section 8 of the motor fuel tax act, 2000 PA 403, MCL 207.1008, and~~
17 ~~subsection (6) from September 1, 2006 is greater than~~
18 ~~\$2,500,000.00.~~

19 ~~—— (8) The legislature shall annually appropriate to the Michigan~~
20 ~~transportation fund created in 1951 PA 51, MCL 247.651 to 247.675,~~
21 ~~the amount determined as the rate differential certified by the~~
22 ~~state treasurer for the 12 month period ending on May 1 of the~~
23 ~~calendar year in which the fiscal year begins. Subsection (6) shall~~
24 ~~not be effective beginning January of any fiscal year for which the~~
25 ~~appropriation required under this subsection has not been made by~~
26 ~~the first day of the fiscal year.~~

27 Enacting section 1. This amendatory act takes effect January

1 1, 2010.