

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
SENATE SUBSTITUTE FOR  
**SENATE BILL NO. 623**  
**98TH GENERAL ASSEMBLY**

4763H.06C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 142.803 and 142.869, RSMo, and to enact in lieu thereof two new sections relating to motor fuel taxes, with penalty provisions and a referendum clause.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 142.803 and 142.869, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 142.803 and 142.869, to read as follows:

142.803. 1. A tax is levied and imposed on all motor fuel used or consumed in this state as follows:

(1) Motor fuel, seventeen cents per gallon **until December 31, 2016. Thereafter, such tax shall be twenty-two and nine-tenths cents per gallon;**

(2) Alternative fuels, not subject to the decal fees as provided in section 142.869, with a power potential equivalent of motor fuel. In the event alternative fuel, which is not commonly sold or measured by the gallon, is used in motor vehicles on the highways of this state, the director is authorized to assess and collect a tax upon such alternative fuel measured by the nearest power potential equivalent to that of one gallon of regular grade gasoline. The determination by the director of the power potential equivalent of such alternative fuel shall be prima facie correct;

(3) Aviation fuel used in propelling aircraft with reciprocating engines, nine cents per gallon as levied and imposed by section 155.080 to be collected as required under this chapter;

(4) Compressed natural gas fuel, [five] **ten and nine-tenths** cents per gasoline gallon equivalent until December 31, 2019, [eleven] **sixteen and nine-tenths** cents per gasoline gallon equivalent from January 1, 2020, until December 31, 2024, and then [seventeen] **twenty-two and nine-tenths** cents per gasoline gallon equivalent thereafter. The gasoline gallon equivalent

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 and method of sale for compressed natural gas shall be as published by the National Institute of  
19 Standards and Technology in Handbooks 44 and 130, and supplements thereto or revisions  
20 thereof. In the absence of such standard or agreement, the gasoline gallon equivalent and method  
21 of sale for compressed natural gas shall be equal to five and sixty-six-hundredths pounds of  
22 compressed natural gas. All applicable provisions contained in this chapter governing  
23 administration, collections, and enforcement of the state motor fuel tax shall apply to the tax  
24 imposed on compressed natural gas, including but not limited to licensing, reporting, penalties,  
25 and interest;

26 (5) Liquefied natural gas fuel, [~~five~~] **ten and nine-tenths** cents per diesel gallon  
27 equivalent until December 31, 2019, [~~eleven~~] **sixteen and nine-tenths** cents per diesel gallon  
28 equivalent from January 1, 2020, until December 31, 2024, and then [~~seventeen~~] **twenty-two**  
29 **and nine-tenths** cents per diesel gallon equivalent thereafter. The diesel gallon equivalent and  
30 method of sale for liquefied natural gas shall be as published by the National Institute of  
31 Standards and Technology in Handbooks 44 and 130, and supplements thereto or revisions  
32 thereof.

33 In the absence of such standard or agreement, the diesel gallon equivalent and method of sale for  
34 liquefied natural gas shall be equal to six and six-hundredths pounds of liquefied natural gas.  
35 All applicable provisions contained in this chapter governing administration, collections, and  
36 enforcement of the state motor fuel tax shall apply to the tax imposed on liquefied natural gas,  
37 including but not limited to licensing, reporting, penalties, and interest;

38 (6) If a natural gas, compressed natural gas, or liquefied natural gas connection is used  
39 for fueling motor vehicles and for another use, such as heating, the tax imposed by this section  
40 shall apply to the entire amount of natural gas, compressed natural gas, or liquefied natural gas  
41 used unless an approved separate metering and accounting system is in place.

42 2. All taxes, surcharges and fees are imposed upon the ultimate consumer, but are to be  
43 precollected as described in this chapter, for the facility and convenience of the consumer. The  
44 levy and assessment on other persons as specified in this chapter shall be as agents of this state  
45 for the precollection of the tax.

142.869. 1. The tax imposed by this chapter shall not apply to passenger motor vehicles,  
2 buses as defined in section 301.010, or commercial motor vehicles registered in this state which  
3 are powered by alternative fuel, and for which a valid decal has been acquired as provided in this  
4 section, provided that sales made to alternative fueled vehicles powered by compressed natural  
5 gas or liquefied natural gas that do not meet the requirements of subsection 3 of this section shall  
6 be taxed exclusively pursuant to subdivisions (4) and (5) of subsection 1 of section 142.803,  
7 respectively. The owners or operators of such motor vehicles, **except plug-in electric hybrids**,  
8 shall, in lieu of the tax imposed by section 142.803, pay an annual alternative fuel decal fee as

9 follows: [seventy-five] **one hundred** dollars on each passenger motor vehicle, school bus as  
10 defined in section 301.010, and commercial motor vehicle with a licensed gross vehicle weight  
11 of eighteen thousand pounds or less; one hundred **twenty-five** dollars on each motor vehicle with  
12 a licensed gross weight in excess of eighteen thousand pounds but not more than thirty-six  
13 thousand pounds used for farm or farming transportation operations and registered with a license  
14 plate designated with the letter "F"; one hundred [fifty] **seventy-five** dollars on each motor  
15 vehicle with a licensed gross vehicle weight in excess of eighteen thousand pounds but less than  
16 or equal to thirty-six thousand pounds, and each passenger-carrying motor vehicle subject to the  
17 registration fee provided in sections 301.059, 301.061 and 301.063; two hundred [fifty] **seventy-**  
18 **five** dollars on each motor vehicle with a licensed gross weight in excess of thirty-six thousand  
19 pounds used for farm or farming transportation operations and registered with a license plate  
20 designated with the letter "F"; and one thousand **twenty-five** dollars on each motor vehicle with  
21 a licensed gross vehicle weight in excess of thirty-six thousand pounds. **Owners or operators**  
22 **of plug-in electric hybrids shall pay one-half of the stated annual alternative fuel decal fee.**  
23 Notwithstanding provisions of this section to the contrary, motor vehicles licensed as historic  
24 under section 301.131 which are powered by alternative fuel shall be exempt from both the tax  
25 imposed by this chapter and the alternative fuel decal requirements of this section. **For the**  
26 **purposes of this section, a plug-in electric hybrid shall be any hybrid vehicle made by a**  
27 **manufacturer with a model year of 2017 or newer, that has not been modified from the**  
28 **original manufacturer specifications, with an internal combustion engine and batteries that**  
29 **can be recharged by connecting a plug to an electric power source.**

30 2. Except interstate fuel users and vehicles licensed under a reciprocity agreement as  
31 defined in section 142.617, the tax imposed by section 142.803 shall not apply to motor vehicles  
32 registered outside this state which are powered by alternative fuel other than compressed natural  
33 gas and liquefied natural gas, and for which a valid temporary alternative fuel decal has been  
34 acquired as provided in this section. The owners or operators of such motor vehicles shall, in  
35 lieu of the tax imposed by section 142.803, pay a temporary alternative fuel decal fee of eight  
36 dollars on each such vehicle. Such decals shall be valid for a period of fifteen days from the date  
37 of issuance and shall be attached to the lower right-hand corner of the front windshield on the  
38 motor vehicle for which it was issued. Such decal and fee shall not be transferable. All proceeds  
39 from such decal fees shall be deposited as specified in section 142.345. Alternative fuel dealers  
40 selling such decals in accordance with rules and regulations prescribed by the director shall be  
41 allowed to retain fifty cents for each decal fee timely remitted to the director.

42 3. Owners or operators of passenger motor vehicles, buses as defined in section 301.010,  
43 or commercial motor vehicles registered in this state which are powered by compressed natural  
44 gas or liquefied natural gas who have installed a compressed natural gas fueling station or

45 liquefied natural gas fueling station used solely to fuel the motor vehicles they own or operate  
46 as of December 31, 2015, may continue to apply for and use the alternative fuel decal in lieu of  
47 paying the tax imposed under subdivisions (4) and (5) of subsection 1 of section 142.803.  
48 Owners or operators of compressed natural gas fueling stations or liquefied natural gas fueling  
49 stations whose vehicles bear an alternative fuel decal shall be prohibited from selling or  
50 providing compressed natural gas or liquefied natural gas to any motor vehicle they do not own  
51 or operate. Owners or operators of motor vehicles powered by compressed natural gas or  
52 liquefied natural gas bearing an alternative fuel decal after January 1, 2016, that decline to renew  
53 the alternative fuel decals for such motor vehicles shall no longer be eligible to apply for and use  
54 alternative fuel decals under this subsection. Any compressed natural gas or liquefied natural  
55 gas obtained at any fueling station not owned by the owner or operator of the motor vehicle  
56 bearing an alternative fuel decal shall be subject to the tax under subdivisions (4) and (5) of  
57 subsection 1 of section 142.803.

58         4. The director shall annually, on or before January thirty-first of each year, collect or  
59 cause to be collected from owners or operators of the motor vehicles specified in subsection 1  
60 of this section the annual decal fee. Applications for such decals shall be supplied by the  
61 department of revenue. In the case of a motor vehicle which is not in operation by January thirty-  
62 first of any year, a decal may be purchased for a fractional period of such year, and the amount  
63 of the decal fee shall be reduced by one-twelfth for each complete month which shall have  
64 elapsed since the beginning of such year.

65         5. Upon the payment of the fee required by subsection 1 of this section, the director shall  
66 issue a decal, which shall be valid for the current calendar year and shall be attached to the lower  
67 right-hand corner of the front windshield on the motor vehicle for which it was issued.

68         6. The decal fee paid pursuant to subsection 1 of this section for each motor vehicle shall  
69 be transferable upon a change of ownership of the motor vehicle and, if the LP gas or natural gas  
70 equipment is removed from a motor vehicle upon a change of ownership and is reinstalled in  
71 another motor vehicle, upon such reinstallation. Such transfers shall be accomplished in  
72 accordance with rules and regulations promulgated by the director.

73         7. It shall be unlawful for any person to operate a motor vehicle required to have an  
74 alternative fuel decal upon the highways of this state without a valid decal.

75         8. No person shall cause to be put, or put, LP gas into the fuel supply receptacle of a  
76 motor vehicle required to have an alternative fuel decal unless the motor vehicle has a valid decal  
77 attached to it. Sales of fuel placed in the supply receptacle of a motor vehicle displaying such  
78 decal shall be recorded upon an invoice, which invoice shall include the decal number, the motor  
79 vehicle license number and the number of gallons placed in such supply receptacle.

80           9. Any person violating any provision of this section is guilty of an infraction and shall,  
81 upon conviction thereof, be fined five hundred dollars.

82           10. Motor vehicles displaying a valid alternative fuel decal are exempt from the licensing  
83 and reporting requirements of this chapter.

          Section B. This act is hereby submitted to the qualified voters of this state for approval  
2 or rejection at an election which is hereby ordered and which shall be held and conducted on  
3 Tuesday next following the first Monday in November, 2016, pursuant to the laws and  
4 constitutional provisions of this state for the submission of referendum measures by the general  
5 assembly, and this act shall become effective when approved by a majority of the votes cast  
6 thereon at such election and not otherwise.

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