

FIRST REGULAR SESSION

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 262

101ST GENERAL ASSEMBLY

1143S.02C

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal section 142.803, RSMo, and to enact in lieu thereof two new sections relating to the taxation of motor fuels.

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

Section A. Section 142.803, RSMo, is repealed and two new
2 sections enacted in lieu thereof, to be known as sections
3 142.803 and 142.822, to read as follows:

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

3 (1) Motor fuel, seventeen cents per gallon;

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

15 (3) Aviation fuel used in propelling aircraft with
16 reciprocating engines, nine cents per gallon as levied and

17 imposed by section 155.080 to be collected as required under
18 this chapter;

19 (4) Compressed natural gas fuel, five cents per
20 gasoline gallon equivalent until December 31, 2019, eleven
21 cents per gasoline gallon equivalent from January 1, 2020,
22 until December 31, 2024, and then seventeen cents per
23 gasoline gallon equivalent thereafter. The gasoline gallon
24 equivalent and method of sale for compressed natural gas
25 shall be as published by the National Institute of Standards
26 and Technology in Handbooks 44 and 130, and supplements
27 thereto or revisions thereof. In the absence of such
28 standard or agreement, the gasoline gallon equivalent and
29 method of sale for compressed natural gas shall be equal to
30 five and sixty-six-hundredths pounds of compressed natural
31 gas. All applicable provisions contained in this chapter
32 governing administration, collections, and enforcement of
33 the state motor fuel tax shall apply to the tax imposed on
34 compressed natural gas, including but not limited to
35 licensing, reporting, penalties, and interest;

36 (5) Liquefied natural gas fuel, five cents per diesel
37 gallon equivalent until December 31, 2019, eleven cents per
38 diesel gallon equivalent from January 1, 2020, until
39 December 31, 2024, and then seventeen cents per diesel
40 gallon equivalent thereafter. The diesel gallon equivalent
41 and method of sale for liquefied natural gas shall be as
42 published by the National Institute of Standards and
43 Technology in Handbooks 44 and 130, and supplements thereto
44 or revisions thereof. In the absence of such standard or
45 agreement, the diesel gallon equivalent and method of sale
46 for liquefied natural gas shall be equal to six and six-
47 hundredths pounds of liquefied natural gas. All applicable
48 provisions contained in this chapter governing

49 administration, collections, and enforcement of the state
50 motor fuel tax shall apply to the tax imposed on liquefied
51 natural gas, including but not limited to licensing,
52 reporting, penalties, and interest;

53 (6) Propane gas fuel, five cents per gallon until
54 December 31, 2019, eleven cents per gallon from January 1,
55 2020, until December 31, 2024, and then seventeen cents per
56 gallon thereafter. All applicable provisions contained in
57 this chapter governing administration, collection, and
58 enforcement of the state motor fuel tax shall apply to the
59 tax imposed on propane gas including, but not limited to,
60 licensing, reporting, penalties, and interest;

61 (7) If a natural gas, compressed natural gas,
62 liquefied natural gas, electric, or propane connection is
63 used for fueling motor vehicles and for another use, such as
64 heating, the tax imposed by this section shall apply to the
65 entire amount of natural gas, compressed natural gas,
66 liquefied natural gas, electricity, or propane used unless
67 an approved separate metering and accounting system is in
68 place.

69 2. All taxes, surcharges and fees are imposed upon the
70 ultimate consumer, but are to be precollected as described
71 in this chapter, for the facility and convenience of the
72 consumer. The levy and assessment on other persons as
73 specified in this chapter shall be as agents of this state
74 for the precollection of the tax.

75 **3. In addition to any tax collected under subdivision**
76 **(1) of subsection 1 of this section, the following tax is**
77 **levied and imposed on all motor fuel used or consumed in**
78 **this state, subject to the exemption on tax liability set**
79 **forth in section 142.822: from January 1, 2022, to December**
80 **31, 2022, two and a half cents per gallon; from January 1,**

81 2023, to December 31, 2023, five cents per gallon; from
82 January 1, 2024, to December 31, 2024, seven and a half
83 cents per gallon; from January 1, 2025, to December 31,
84 2025, ten cents per gallon; from January 1, 2026, to
85 December 31, 2026, twelve and a half cents per gallon; and
86 on and after January 1, 2027, fifteen cents per gallon.

142.822. 1. Motor fuel used for purposes of
2 propelling motor vehicles on highways shall be exempt from
3 the fuel tax collected under subsection 3 of section
4 142.803, and an exemption and refund may be claimed by the
5 taxpayer if the tax has been paid and no refund has been
6 previously issued, provided that the taxpayer applies for
7 the exemption and refund as specified in this section. The
8 exemption and refund shall be issued on a calendar year
9 basis to each person who pays the fuel tax collected under
10 subsection 3 of section 142.803 and who claims an exemption
11 and refund in accordance with this section, and shall apply
12 so that the fuel taxpayer has no liability for the tax
13 collected in that calendar year under subsection 3 of
14 section 142.803.

15 2. To claim an exemption and refund in accordance with
16 this section, a person shall present to the director a
17 statement containing a written verification that the claim
18 is made under penalty of perjury and that states the total
19 fuel tax paid in the applicable calendar year for each
20 vehicle for which the exemption and refund is claimed. The
21 claim shall not be transferred or assigned, and shall be
22 filed on or after January first, but not later than April
23 fifteenth, following the year for which the exemption and
24 refund is claimed. The claim statement shall be supported
25 by the original sales slip, invoice, or other documentation
26 of the precise number of gallons purchased and amount of

27 fuel tax paid, as approved by the director, and shall at a
28 minimum include the following information:

- 29 (1) Date of sale;
- 30 (2) Name and address of purchaser;
- 31 (3) Name and address of seller;
- 32 (4) Number of gallons purchased;
- 33 (5) Number of gallons purchased and charged Missouri
34 fuel tax, as a separate item; and
- 35 (6) Marked paid by the seller.

36 3. The director may make any investigation necessary
37 before issuing an exemption and refund under this section,
38 and may investigate an exemption and refund under this
39 section after it has been issued and within the time frame
40 for making adjustments to the tax pursuant to this chapter.

41 4. Every person shall maintain and keep records for a
42 period of three years to substantiate all claims for
43 exemption and refund of the motor fuel tax, together with
44 invoices, bills of lading, and other pertinent records and
45 paper as may be required by the director for reasonable
46 administration of this chapter.

47 5. If an exemption and refund is not issued within
48 thirty days of an accurate and complete filing, as required
49 by this chapter, the director shall pay interest at the rate
50 provided in section 32.065 accruing after the expiration of
51 the thirty-day period until the date the exemption and
52 refund is issued.

53 6. The exemption and refund specified in this section
54 shall be available only with regard to motor fuel purchased
55 prior to the calendar year 2028. This section shall expire
56 on April 16, 2028.

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