

SECOND REGULAR SESSION

# HOUSE BILL NO. 2239

## 97TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE SCHATZ.

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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 natural gas motor fuel.

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Section A. Sections 142.803 and 142.869, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 142.803 and 142.869, to read as follows: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

(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 cents per gasoline gallon equivalent until December 31, 2019, ten cents per gasoline gallon equivalent from January 1, 2020, until December 31, 2024, and then fifteen cents per gasoline gallon equivalent thereafter. A gasoline gallon equivalent of compressed natural gas shall be equal to five and sixty-six-hundredths pounds or one hundred twenty-six and sixty-seven-hundredths cubic feet of**

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 **compressed natural gas, measured at fourteen and seven-tenths pounds per square inch**  
19 **and at a temperature of sixty degrees Fahrenheit. The method of sale for compressed**  
20 **natural gas used as transportation fuel shall be gasoline gallon equivalents;**

21 **(5) Liquefied natural gas fuel, five cents per diesel gallon equivalent until December**  
22 **31, 2019, ten cents per diesel gallon equivalent from January 1, 2020, until December 31,**  
23 **2024, and then fifteen cents per diesel gallon equivalent thereafter. A diesel gallon**  
24 **equivalent of liquefied natural gas shall be equal to six and six-hundredths pounds of**  
25 **liquefied natural gas. The method of sale for liquefied natural gas used as transportation**  
26 **fuel shall be diesel gallon equivalents.**

27 2. All taxes, surcharges and fees are imposed upon the ultimate consumer, but are to be  
28 precollected as described in this chapter, for the facility and convenience of the consumer. The  
29 levy and assessment on other persons as specified in this chapter shall be as agents of this state  
30 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**  
5 **natural gas and liquefied natural gas shall be taxed exclusively under subdivisions (4) and**  
6 **(5) of subsection 1 of section 142.803 respectively.** The owners or operators of such motor  
7 vehicles shall, in lieu of the tax imposed by section 142.803, pay an annual alternative fuel decal  
8 fee as follows: seventy-five dollars on each passenger motor vehicle, school bus as defined in  
9 section 301.010, and commercial motor vehicle with a licensed gross vehicle weight of eighteen  
10 thousand pounds or less; one hundred dollars on each motor vehicle with a licensed gross weight  
11 in excess of eighteen thousand pounds but not more than thirty-six thousand pounds used for  
12 farm or farming transportation operations and registered with a license plate designated with the  
13 letter "F"; one hundred fifty dollars on each motor vehicle with a licensed gross vehicle weight  
14 in excess of eighteen thousand pounds but less than or equal to thirty-six thousand pounds, and  
15 each passenger-carrying motor vehicle subject to the registration fee provided in sections  
16 301.059, 301.061 and 301.063; two hundred fifty dollars on each motor vehicle with a licensed  
17 gross weight in excess of thirty-six thousand pounds used for farm or farming transportation  
18 operations and registered with a license plate designated with the letter "F"; and one thousand  
19 dollars on each motor vehicle with a licensed gross vehicle weight in excess of thirty-six  
20 thousand pounds. Notwithstanding provisions of this section to the contrary, motor vehicles  
21 licensed as historic under section 301.131 which are powered by alternative fuel shall be exempt  
22 from both the tax imposed by this chapter and the alternative fuel decal requirements of this  
23 section.

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

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

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

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

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

53           7. No person shall cause to be put, or put, LP gas [or natural gas] into the fuel supply  
54 receptacle of a motor vehicle required to have an alternative fuel decal unless the motor vehicle  
55 has a valid decal attached to it. Sales of fuel placed in the supply receptacle of a motor vehicle  
56 displaying such decal shall be recorded upon an invoice, which invoice shall include the decal  
57 number, the motor vehicle license number and the number of gallons placed in such supply  
58 receptacle.

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

61           9. Motor vehicles displaying a valid alternative fuel decal are exempt from the licensing  
62 and reporting requirements of this chapter.

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