

SECOND REGULAR SESSION

# HOUSE BILL NO. 3538

103RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE MAYHEW.

7527H.011

JOSEPH ENGLER, Chief Clerk

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## AN ACT

To repeal sections 142.803 and 142.822, RSMo, and to enact in lieu thereof two new sections relating to motor fuel tax.

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

Section A. Sections 142.803 and 142.822, RSMo, are repealed and two new sections  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

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

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

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

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

14 (4) Compressed natural gas fuel, five cents per gasoline gallon equivalent until  
15 December 31, 2019, eleven cents per gasoline gallon equivalent from January 1, 2020, until  
16 December 31, 2024, and then seventeen cents per gasoline gallon equivalent thereafter. The  
17 gasoline gallon equivalent and method of sale for compressed natural gas shall be as

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

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

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

41 (7) If a natural gas, compressed natural gas, liquefied natural gas, electric, or propane  
42 connection is used for fueling motor vehicles and for another use, such as heating, the tax  
43 imposed by this section shall apply to the entire amount of natural gas, compressed natural  
44 gas, liquefied natural gas, electricity, or propane used unless an approved separate metering  
45 and accounting system is in place.

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

50 3. In addition to any tax collected under subdivision (1) of subsection 1 of this  
51 section, the following tax is levied and imposed on all motor fuel used or consumed in this  
52 state, subject to the exemption on tax liability set forth in section 142.822: from October 1,  
53 2021, to June 30, 2022, two and a half cents per gallon; from July 1, 2022, to June 30, 2023,  
54 five cents per gallon; from July 1, 2023, to June 30, 2024, seven and a half cents per gallon;

55 from July 1, 2024, to June 30, 2025, ten cents per gallon; and on and after July 1, 2025,  
56 twelve and a half cents per gallon.

57 **4. The proceeds from any tax collected under subsection 3 of this section shall be**  
58 **deposited into a special trust fund, to be known as the "Motor Fuel Tax Fund of 2021".**  
59 **Any moneys in the fund not claimed and refunded to the taxpayer under section 142.822**  
60 **within the time period specified under subsection 2 of such section shall remain in the**  
61 **fund and be subject to appropriation by the general assembly for road and bridge**  
62 **projects for state-owned infrastructure.**

142.822. 1. Motor fuel used for purposes of propelling motor vehicles on highways  
2 shall be exempt from the fuel tax collected under subsection 3 of section 142.803, and an  
3 exemption and refund may be claimed by the taxpayer if the tax has been paid and no refund  
4 has been previously issued, provided that the taxpayer applies for the exemption and refund  
5 as specified in this section. The exemption and refund shall be issued on a fiscal year basis to  
6 each person who pays the fuel tax collected under subsection 3 of section 142.803 and who  
7 claims an exemption and refund in accordance with this section, and shall apply so that the  
8 fuel taxpayer has no liability for the tax collected in that fiscal year under subsection 3 of  
9 section 142.803. **Any refund issued under this section shall be paid from moneys in the**  
10 **motor fuel tax fund of 2021 established under subsection 4 of section 142.803.**

11 2. To claim an exemption and refund in accordance with this section, a person shall  
12 present to the director a statement containing a written verification that the claim is made  
13 under penalty of perjury and that states the total fuel tax paid in the applicable fiscal year for  
14 each vehicle for which the exemption and refund is claimed. The claim shall not be  
15 transferred or assigned, and shall be filed on or after July first, but not later than September  
16 thirtieth, following the fiscal year for which the exemption and refund is claimed. The claim  
17 statement may be submitted electronically, and shall at a minimum include the following  
18 information:

19 (1) Vehicle identification number of the motor vehicle into which the motor fuel was  
20 delivered;

21 (2) Date of sale;

22 (3) Name and address of purchaser;

23 (4) Name and address of seller;

24 (5) Number of gallons purchased; and

25 (6) Number of gallons purchased and charged Missouri fuel tax, as a separate item.

26 3. Every person shall maintain and keep records supporting the claim statement filed  
27 with the department of revenue for a period of three years to substantiate all claims for  
28 exemption and refund of the motor fuel tax, together with invoices, original sales receipts

29 marked paid by the seller, bills of lading, and other pertinent records and paper as may be  
30 required by the director for reasonable administration of this chapter.

31 4. The director may make any investigation necessary before issuing an exemption  
32 and refund under this section, and may investigate an exemption and refund under this section  
33 after it has been issued and within the time frame for making adjustments to the tax pursuant  
34 to this chapter.

35 5. If an exemption and refund is not issued within forty-five days of an accurate and  
36 complete filing, as required by this chapter, the director shall pay interest at the rate provided  
37 in section 32.065 accruing after the expiration of the forty-five-day period until the date the  
38 exemption and refund is issued.

39 6. The exemption and refund specified in this section shall be available only with  
40 regard to motor fuel delivered into a motor vehicle with a gross weight, as defined in section  
41 301.010, of twenty-six thousand pounds or less.

42 7. The director shall promulgate rules as necessary to implement the provisions of  
43 this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
44 created under the authority delegated in this section shall become effective only if it complies  
45 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
46 This section and chapter 536 are nonseverable and if any of the powers vested with the  
47 general assembly pursuant to chapter 536 to review, to delay the effective date, or to  
48 disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
49 rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid  
50 and void.

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