

A bill for an act
relating to transportation finance; correcting transitional rate of special fuel
excise tax on compressed natural gas; providing for surcharge administration;
amending Laws 2008, chapter 152, article 2, section 1, by adding a subdivision;
article 3, section 6.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2006, section 296A.083, as added by Laws 2008, chapter
152, article 2, section 1, is amended by adding a subdivision to read:

Subd. 4. **Surcharge administration.** The audit, assessment, appeal, collection,
enforcement, penalty, interest, refund, and administrative provisions that apply to the taxes
in chapter 296A apply to the surcharge imposed by this section.

EFFECTIVE DATE. This section is effective the day following final enactment.

Sec. 2. Laws 2008, chapter 152, article 3, section 6, is amended to read:

Sec. 6. SPECIAL FUEL EXCISE TAX; TRANSITION PROVISION.

Notwithstanding Minnesota Statutes, section 296A.08, subdivision 2, before October
1, 2008, the special fuel excise tax is imposed at the following rates:

(a) Liquefied petroleum gas or propane is taxed at the rate of 16.5 cents per gallon.

(b) Liquefied natural gas is taxed at the rate of 13.2 cents per gallon.

(c) Compressed natural gas is taxed at the rate of ~~\$1.1913~~ \$1.913 per thousand
cubic feet; or 22 cents per gasoline equivalent. For purposes of this paragraph, "gasoline
equivalent," as defined by the National Conference on Weights and Measures, is 5.66
pounds of gas.

2.1 (d) All other special fuel is taxed at the same rate as the gasoline excise tax as
2.2 specified in section 4. The tax is payable in the form and manner prescribed by the
2.3 commissioner.

2.4 **EFFECTIVE DATE.** This section is effective on ~~the first day of the month~~
2.5 ~~following 21 days after the date of enactment~~ April 1, 2008, and applies to all gasoline,
2.6 undyed diesel fuel, and special fuel in distributor storage on that date. This section
2.7 expires October 1, 2008.