

A bill for an act

relating to transportation finance; correcting transitional rate of special fuel excise tax on compressed natural gas; amending Laws 2008, chapter 152, article 3, section 6.

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

Section 1. 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.

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

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