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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 182

01/15/2015 Authored by Garofalo and Nornes

The bill was read for the first time and referred to the Committee on Transportation Policy and Finance

1.1 A bill for an act
1.2 relating to taxation; special fuels; modifying the tax rate on compressed natural
1.3 gas; amending Minnesota Statutes 2014, section 296A.08, subdivision 2.

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

1.5 Section 1. Minnesota Statutes 2014, section 296A.08, subdivision 2, is amended to read:

1.6 Subd. 2. **Rate of tax.** The special fuel excise tax is imposed at the following rates:

1.7 (a) Liquefied petroleum gas or propane is taxed at the rate of 18.75 cents per gallon.

1.8 (b) Liquefied natural gas is taxed at the rate of 15 cents per gallon.

1.9 (c) Compressed natural gas is taxed at the rate of ~~\$2.174~~ \$1.826 per thousand cubic

1.10 feet; or 25 cents per ~~gasoline~~ diesel fuel equivalent. For purposes of this paragraph,

1.11 "~~gasoline equivalent,~~" as defined by the National Conference on Weights and Measures,

1.12 "diesel fuel equivalent" is ~~5.66~~ 6.74 pounds of natural gas.

1.13 (d) All other special fuel is taxed at the same rate as the gasoline excise tax as
1.14 specified in section 296A.07, subdivision 2. The tax is payable in the form and manner
1.15 prescribed by the commissioner.

1.16 **EFFECTIVE DATE.** This section is effective July 1, 2015.