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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETIETH SESSION

H. F. No. **241**

01/12/2017 Authored by Garofalo and Hornstein
The bill was read for the first time and referred to the Committee on Transportation Finance
02/20/2017 Adoption of Report: Re-referred to the Committee on Taxes

- 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 2016, section 296A.08, subdivision 2.
- 1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5 Section 1. Minnesota Statutes 2016, 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~~ \$1.974 per thousand cubic feet;
- 1.10 or 25 cents per gasoline equivalent. For purposes of this paragraph, "gasoline equivalent,"
- 1.11 as defined by the National Conference on Weights and Measures, is 5.66 pounds of natural
- 1.12 gas or 126.67 cubic feet.
- 1.13 (d) All other special fuel is taxed at the same rate as the gasoline excise tax as specified
- 1.14 in section 296A.07, subdivision 2. The tax is payable in the form and manner prescribed
- 1.15 by the commissioner.
- 1.16 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
- 1.17 30, 2017.