

**SENATE**  
**STATE OF MINNESOTA**  
**EIGHTY-NINTH SESSION**

**S.F. No. 983**

(SENATE AUTHORS: REST, Thompson, Gazelka and Dzedzic)

DATE	D-PG	OFFICIAL STATUS
02/19/2015	365	Introduction and first reading Referred to Finance
04/21/2015	2079a	Comm report: To pass as amended
	2079	Second reading
	2080	General Orders: Stricken and re-referred to 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 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~~ \$1.974 per thousand cubic

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

1.11 equivalent," as defined by the National Conference on Weights and Measures, is 5.66

1.12 pounds of natural 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

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 for sales and purchases made after

1.17 June 30, 2015.