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State of Minnesota
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 182

01/15/2015 Authored by Garofalo, Nornes and Sanders

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

03/02/2015 Adoption of Report: Amended and 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 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.