

By: Senator(s) Cuevas

To: Finance

## SENATE BILL NO. 2514

1 AN ACT TO AMEND SECTIONS 27-59-11 AND 27-59-13, MISSISSIPPI  
2 CODE OF 1972, TO INCREASE THE TAX IMPOSED PER GALLON ON LIQUEFIED  
3 COMPRESSED GAS; AND FOR RELATED PURPOSES. BE IT ENACTED BY THE  
4 LEGISLATURE OF THE STATE OF MISSISSIPPI:

5  
6 SECTION 1. Section 27-59-11, Mississippi Code of 1972, is  
7 amended as follows:

8 27-59-11. (1) A tax at the rate of Thirty-five-hundredths  
9 Cent (.35¢) per gallon is hereby levied upon any person engaged in  
10 business as a distributor of compressed gas, excepting natural  
11 gas, for the privilege of engaging in such business or acting as  
12 such distributor. The tax shall be based on all compressed gas,  
13 excepting natural gas, stored, used, distributed, manufactured,  
14 refined, distilled, blended or compounded in this state or  
15 received in this state for sale, storage, distribution or for any  
16 other purpose.

17 The tax levied herein shall become due and payable when:

18 (a) Compressed gas is withdrawn from storage at a  
19 refinery, marine or pipeline terminal, or underground caverns or  
20 cavities except when withdrawal is by pipeline or barge;

21 (b) Compressed gas imported by a common carrier is  
22 unloaded by that carrier unless the compressed gas is unloaded  
23 directly into an underground cavern or cavity for storage or  
24 directly into the storage tanks of a refinery, marine or pipeline  
25 terminal; or

26 (c) Compressed gas imported by any person, other than a  
27 common carrier, enters the State of Mississippi, unless the

28 compressed gas is unloaded directly into an underground cavern or  
29 cavity for storage or directly into the storage tanks of a  
30 refinery, marine or pipeline terminal.

31 (2) A tax at the rate of Seventeen Cents (17¢) per gallon  
32 until the date specified in Section 65-39-35, and Thirteen and  
33 Four-tenths Cents (13.4¢) per gallon thereafter, is levied upon  
34 any distributor of compressed gas for the privilege of engaging in  
35 the business of selling or delivering compressed gas, excepting  
36 compressed natural gas and liquefied natural gas, for use in a  
37 motor vehicle or motor vehicles on the highways of this state. A  
38 tax at the rate of Eighteen Cents (18¢) per one hundred (100)  
39 cubic feet until the date specified in Section 65-39-35, and  
40 Fourteen and Four-tenths Cents (14.4¢) per one hundred (100) cubic  
41 feet thereafter, is levied upon any distributor of compressed gas  
42 for the privilege of engaging in the business of selling or  
43 delivering compressed natural gas and liquefied natural gas for  
44 use in a motor vehicle or motor vehicles on the highways of this  
45 state. A tax at the rate of Eighteen Cents (18¢) per one hundred  
46 (100) cubic feet until the date specified in Section 65-39-35, and  
47 Fourteen and Four-tenths Cents (14.4¢) per one hundred (100) cubic  
48 feet thereafter, is levied upon any public utility for the  
49 privilege of engaging in the business of selling or delivering  
50 natural gas to a user for the purpose of being used as a fuel in a  
51 motor vehicle or motor vehicles on the highways of this state, and  
52 the taxes shall be collected from the user whenever practical.  
53 The taxes levied in this subsection shall not apply when sales or  
54 deliveries are made to persons who are holders of permitted  
55 compressed gas user's decals.

56 (3) Upon every person operating on the highways of this  
57 state a motor vehicle or motor vehicles using or capable of using  
58 compressed gas as a motor fuel and having a gross license tag  
59 weight classification of ten thousand (10,000) pounds or less,  
60 there is hereby levied an annual privilege tax of One Hundred  
61 Ninety-five Dollars (\$195.00) until the date specified in Section  
62 65-39-35, and One Hundred Sixty-five Dollars (\$165.00) thereafter.

63 (4) Upon every person operating on the highways of this  
64 state a motor vehicle or motor vehicles using or capable of using

65 compressed gas and having a gross license tag weight  
66 classification greater than ten thousand (10,000) pounds, there is  
67 hereby levied a privilege tax of Seventeen Cents (17¢) per gallon  
68 until the date specified in Section 65-39-35, and Thirteen and  
69 Four-tenths Cents (13.4¢) per gallon thereafter, on all compressed  
70 gas, excepting compressed natural gas and liquefied natural gas,  
71 used on the highways of this state. There is hereby levied a  
72 privilege tax of Eighteen Cents (18¢) per one hundred (100) cubic  
73 feet until the date specified in Section 65-39-35, and Fourteen  
74 and Four-tenths Cents (14.4¢) per one hundred (100) cubic feet  
75 thereafter, on all compressed natural gas and liquefied natural  
76 gas used on the highways of this state. The taxes levied in this  
77 paragraph shall not apply to owners or operators classified by the  
78 commission as nonpermitted users.

79 (5) All owners and operators of motor vehicles that have a  
80 gross license tag weight classification greater than ten thousand  
81 (10,000) pounds, but not exceeding twenty thousand (20,000) pounds  
82 shall prepay Two Hundred Twenty-five Dollars (\$225.00) of such tax  
83 annually, and all owners and operators of motor vehicles that have  
84 a gross license tag weight classification greater than twenty  
85 thousand (20,000) pounds shall prepay Three Hundred Dollars  
86 (\$300.00) of such tax annually. On motor vehicles that have a  
87 gross license tag weight exceeding ten thousand (10,000) pounds,  
88 that are exclusively used by a farmer for transporting farm  
89 products produced on his own farm and also farm supplies,  
90 materials and equipment used in the growing or production of his  
91 agricultural products and have a "farm" or "F" motor vehicle  
92 license tag, the prepaid portion of said privilege tax shall be  
93 One Hundred Fifty Dollars (\$150.00).

94 (6) The commission, in its discretion, may authorize or  
95 require the owner or operator of five (5) or more motor vehicles  
96 that use or are capable of using compressed gas on the highway to  
97 pay the excise tax on all compressed gas purchased for any purpose

98 and the excise tax shall be collected by the distributor of  
99 compressed gas at the time of sale or delivery. The owners or  
100 operators authorized or required to do so shall be classified as  
101 nonpermitted users.

102 SECTION 2. Section 27-59-13, Mississippi Code of 1972, is  
103 amended as follows:

104 27-59-13. The excise taxes levied in this chapter shall  
105 become due and payable on or before the twentieth day of the month  
106 succeeding the month in which the tax accrues. Each distributor  
107 shall file with the commission a monthly report setting forth the  
108 quantity of compressed gas received within this state, less any  
109 authorized exemptions; the quantity of compressed gas sold for use  
110 on the highways of this state; and any other information as may be  
111 reasonably necessary for the administration of this chapter. The  
112 distributor shall remit to the commission, with the monthly  
113 report, the full amount of the excise tax shown thereon to be due.

114 Reports and payments sent to the commission by mail must be  
115 postmarked by the due date in order to be considered timely filed,  
116 except when the due date falls on a weekend or holiday, in which  
117 case such reports and payments must be postmarked by the first  
118 working day following the due date in order to be considered  
119 timely filed.

120 An amount equal to Thirty-five-hundredths cent (.35¢) per  
121 gallon on all compressed gas shown to be taxable for highway use  
122 may be deducted; provided, that the Thirty-five-hundredths cent  
123 (.35¢) per gallon tax on such compressed gas has been paid or is  
124 covered by the bond of a distributor of compressed gas.

125 The monthly report of the distributor shall be prepared and  
126 filed with the commission on forms prescribed by the commission or  
127 the distributor may, with the approval of the commission, furnish  
128 the required information on machine-prepared schedules. Such  
129 monthly reports shall be signed by the distributor or his duly  
130 authorized agent and contain a declaration that the statements

131 contained therein are true and are made under the penalty of  
132 perjury.

133 All persons storing compressed gases, excepting natural gas,  
134 in underground caverns or cavities in this state shall make  
135 monthly reports of withdrawals of such compressed gases from  
136 storage, on forms prescribed by the commission at the same time,  
137 in the same manner, and subject to the same terms, conditions and  
138 penalties as is otherwise provided for distributors of compressed  
139 gas. Sales and deliveries of compressed gases to nonpermitted  
140 distributors shall be listed and reported on such reports  
141 separately from sales and deliveries to permitted distributors.

142 SECTION 3. This act shall take effect and be in force from  
143 and after its passage.