

By: Robinson (84th)

To: Ways and Means

HOUSE BILL NO. 130

1 AN ACT TO AMEND SECTION 27-59-11, MISSISSIPPI CODE OF 1972,
 2 TO REDUCE THE COMPRESSED GAS PRIVILEGE TAX LEVIED UPON PERSONS
 3 OPERATING ON THE HIGHWAYS OF THIS STATE MOTOR VEHICLES USING OR
 4 CAPABLE OF USING COMPRESSED GAS AS A MOTOR FUEL AND HAVING A GROSS
 5 LICENSE TAG WEIGHT CLASSIFICATION OF 10,000 POUNDS OR LESS; TO
 6 AMEND SECTION 65-39-35, MISSISSIPPI CODE OF 1972, IN CONFORMITY
 7 THERETO; AND FOR RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 SECTION 1. Section 27-59-11, Mississippi Code of 1972, is
 10 amended as follows:

11 27-59-11. (1) A tax at the rate of One-fourth Cent (1/4()
 12 per gallon is hereby levied upon any person engaged in business as
 13 a distributor of compressed gas, excepting natural gas, for the
 14 privilege of engaging in such business or acting as such
 15 distributor. The tax shall be based on all compressed gas,
 16 excepting natural gas, stored, used, distributed, manufactured,
 17 refined, distilled, blended or compounded in this state or
 18 received in this state for sale, storage, distribution or for any
 19 other purpose.

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

- 21 (a) Compressed gas is withdrawn from storage at a
- 22 refinery, marine or pipeline terminal, or underground caverns or
- 23 cavities except when withdrawal is by pipeline or barge;

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

29 (c) Compressed gas imported by any person, other than a
30 common carrier, enters the State of Mississippi, unless the
31 compressed gas is unloaded directly into an underground cavern or
32 cavity for storage or directly into the storage tanks of a
33 refinery, marine or pipeline terminal.

34 (2) A tax at the rate of Seventeen Cents (17()) per gallon
35 until the date specified in Section 65-39-35, and Thirteen and
36 Four-tenths Cents (13.4()) per gallon thereafter, is levied upon
37 any distributor of compressed gas for the privilege of engaging in
38 the business of selling or delivering compressed gas, excepting
39 compressed natural gas and liquefied natural gas, for use in a
40 motor vehicle or motor vehicles on the highways of this state. A
41 tax at the rate of Eighteen Cents (18()) per one hundred (100)
42 cubic feet until the date specified in Section 65-39-35, and
43 Fourteen and Four-tenths Cents (14.4()) per one hundred (100) cubic
44 feet thereafter, is levied upon any distributor of compressed gas
45 for the privilege of engaging in the business of selling or
46 delivering compressed natural gas and liquefied natural gas for
47 use in a motor vehicle or motor vehicles on the highways of this
48 state. A tax at the rate of Eighteen Cents (18()) per one hundred
49 (100) cubic feet until the date specified in Section 65-39-35, and
50 Fourteen and Four-tenths Cents (14.4()) per one hundred (100) cubic
51 feet thereafter, is levied upon any public utility for the
52 privilege of engaging in the business of selling or delivering
53 natural gas to a user for the purpose of being used as a fuel in a
54 motor vehicle or motor vehicles on the highways of this state, and

55 the taxes shall be collected from the user whenever practical.
56 The taxes levied in this subsection shall not apply when sales or
57 deliveries are made to persons who are holders of permitted
58 compressed gas user's decals.

59 (3) Upon every person operating on the highways of this
60 state a motor vehicle or motor vehicles using or capable of using
61 compressed gas as a motor fuel and having a gross license tag
62 weight classification of ten thousand (10,000) pounds or less,
63 there is hereby levied an annual privilege tax of One Hundred
64 Dollars (\$100.00).

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

81 (5) All owners and operators of motor vehicles that have a
82 gross license tag weight classification greater than ten thousand

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

96 (6) The commission, in its discretion, may authorize or
97 require the owner or operator of five (5) or more motor vehicles
98 that use or are capable of using compressed gas on the highway to
99 pay the excise tax on all compressed gas purchased for any purpose
100 and the excise tax shall be collected by the distributor of
101 compressed gas at the time of sale or delivery. The owners or
102 operators authorized or required to do so shall be classified as
103 nonpermitted users.

104 SECTION 2. Section 65-39-35, Mississippi Code of 1972, is
105 amended as follows:

106 65-39-35. The date upon which the taxes and fees levied and
107 charged under the provisions of Sections 27-55-11, 27-57-37, * * *
108 27-19-43, 27-19-309, 27-65-75, 27-55-519 and 27-55-521, are
109 reduced under such sections shall be the first day of the month
110 immediately following the date upon which:

111 (a) The Mississippi Transportation Commission certifies
112 to the State Tax Commission that:

113 (i) The Four-Lane Highway Program created under
114 Section 65-3-97 and the Gaming Counties Infrastructure Program
115 created under Section 65-39-3, are completed and no funds are any
116 longer necessary to pay the costs of such programs; and

117 (ii) The Mississippi Transportation Commission
118 will not declare the necessity for additional borrowings under
119 Section 65-9-27, or for additional bonds under Sections 65-39-5
120 through 65-39-33; and

121 (b) The State Treasurer certifies:

122 (i) That the amount on deposit in the Gaming
123 Counties Bond Sinking Fund, together with earnings on investments
124 to accrue to such fund, is equal to or greater than the aggregate
125 of the entire principal, redemption premium (if any), and interest
126 due and to become due (until the final maturity date or earlier
127 scheduled redemption date) on all general obligation bonds issued
128 under Sections 65-39-5 through 65-39-33; and

129 (ii) That all principal, interest, cost and other
130 expenses for all bonds, notes or other borrowings under Section
131 65-9-27 and Section 31-17-127 (including redemption notes, if any)
132 have been paid and are completely satisfied.

133 SECTION 3. Nothing in this act shall affect or defeat any
134 claim, assessment, appeal, suit, right or cause of action for
135 taxes due or accrued under the compressed gas laws before the date
136 on which this act becomes effective, whether such claims,
137 assessments, appeals, suits or actions have been begun before the
138 date on which this act becomes effective or are begun thereafter;

139 and the provisions of the compressed gas laws are expressly
140 continued in full force, effect and operation for the purpose of
141 the assessment, collection and enrollment of liens for any taxes
142 due or accrued and the execution of any warrant under such laws
143 before the date on which this act becomes effective, and for the
144 imposition of any penalties, forfeitures or claims for failure to
145 comply with such laws.

146 SECTION 4. This act shall take effect and be in force from
147 and after July 1, 2000.