

By: Tollison

To: Finance

SENATE BILL NO. 2515

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; AND
6 FOR RELATED PURPOSES.

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

8 SECTION 1. Section 27-59-11, Mississippi Code of 1972, is
9 amended as follows:[MS1]

10 27-59-11. (1) A tax at the rate of One-fourth Cent (1/4¢)
11 per gallon is hereby levied upon any person engaged in business as
12 a distributor of compressed gas, excepting natural gas, for the
13 privilege of engaging in such business or acting as such
14 distributor. The tax shall be based on all compressed gas,
15 excepting natural gas, stored, used, distributed, manufactured,
16 refined, distilled, blended or compounded in this state or
17 received in this state for sale, storage, distribution or for any
18 other purpose.

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

20 (a) Compressed gas is withdrawn from storage at a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

23 (b) Compressed gas imported by a common carrier is

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

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

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

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

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

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

80 (5) All owners and operators of motor vehicles that have a
81 gross license tag weight classification greater than ten thousand
82 (10,000) pounds, but not exceeding twenty thousand (20,000) pounds

83 shall prepay Two Hundred Twenty-five Dollars (\$225.00) of such tax
84 annually, and all owners and operators of motor vehicles that have
85 a gross license tag weight classification greater than twenty
86 thousand (20,000) pounds shall prepay Three Hundred Dollars
87 (\$300.00) of such tax annually. On motor vehicles that have a
88 gross license tag weight exceeding ten thousand (10,000) pounds,
89 that are exclusively used by a farmer for transporting farm
90 products produced on his own farm and also farm supplies,
91 materials and equipment used in the growing or production of his
92 agricultural products and have a "farm" or "F" motor vehicle
93 license tag, the prepaid portion of said privilege tax shall be
94 One Hundred Fifty Dollars (\$150.00).

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

103 SECTION 2. Nothing in this act shall affect or defeat any
104 claim, assessment, appeal, suit, right or cause of action for
105 taxes due or accrued under the compressed gas laws before the date
106 on which this act becomes effective, whether such claims,
107 assessments, appeals, suits or actions have been begun before the
108 date on which this act becomes effective or are begun thereafter;
109 and the provisions of the compressed gas laws are expressly
110 continued in full force, effect and operation for the purpose of

111 the assessment, collection and enrollment of liens for any taxes
112 due or accrued and the execution of any warrant under such laws
113 before the date on which this act becomes effective, and for the
114 imposition of any penalties, forfeitures or claims for failure to
115 comply with such laws.

116 SECTION 3. This act shall take effect and be in force from
117 and after July 1, 2000.