To: Ways and Means

MISSISSIPPI LEGISLATURE
REGULAR SESSION 2001

By: Representative Stevens

HOUSE BILL NO. 651

AN ACT TO AMEND SECTIONS 27-59-11 AND 27-59-13, MISSISSIPPI CODE OF 1972, TO INCREASE THE TAX IMPOSED PER GALLON ON LIQUEFIED COMPRESSED GAS; AND FOR RELATED PURPOSES.

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

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

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

The tax levied herein shall become due and payable when:
(a) Compressed gas is withdrawn from storage at a refinery, marine or pipeline terminal, or underground caverns or cavities except when withdrawal is by pipeline or barge;
(b) Compressed gas imported by a common carrier is unloaded by that carrier unless the compressed gas is unloaded directly into an underground cavern or cavity for storage or directly into the storage tanks of a refinery, marine or pipeline terminal; or
(c) Compressed gas imported by any person, other than a common carrier, enters the State of Mississippi, unless the compressed gas is unloaded directly into an underground cavern or
cavity for storage or directly into the storage tanks of a
refinery, marine or pipeline terminal.

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

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

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

(5) All owners and operators of motor vehicles that have a gross license tag weight classification greater than ten thousand (10,000) pounds, but not exceeding twenty thousand (20,000) pounds shall prepay Two Hundred Twenty-five Dollars ($225.00) of such tax annually, and all owners and operators of motor vehicles that have a gross license tag weight classification greater than twenty thousand (20,000) pounds shall prepay Three Hundred Dollars ($300.00) of such tax annually. On motor vehicles that have a gross license tag weight exceeding ten thousand (10,000) pounds, that are exclusively used by a farmer for transporting farm products produced on his own farm and also farm supplies, materials and equipment used in the growing or production of his agricultural products and have a "farm" or "F" motor vehicle license tag, the prepaid portion of said privilege tax shall be One Hundred Fifty Dollars ($150.00).
(6) The commission, in its discretion, may authorize or require the owner or operator of five (5) or more motor vehicles that use or are capable of using compressed gas on the highway to pay the excise tax on all compressed gas purchased for any purpose and the excise tax shall be collected by the distributor of compressed gas at the time of sale or delivery. The owners or operators authorized or required to do so shall be classified as nonpermitted users.

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

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

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

An amount equal to Thirty-five-hundredths cent (.354) per gallon on all compressed gas shown to be taxable for highway use may be deducted; provided, that the Thirty-five-hundredths cent (.354) per gallon tax on such compressed gas has been paid or is covered by the bond of a distributor of compressed gas.

The monthly report of the distributor shall be prepared and filed with the commission on forms prescribed by the commission or
the distributor may, with the approval of the commission, furnish
the required information on machine-prepared schedules. Such
monthly reports shall be signed by the distributor or his duly
authorized agent and contain a declaration that the statements
contained therein are true and are made under the penalty of
perjury.

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

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