

By: Representative Stevens

To: Ways and Means

HOUSE BILL NO. 651

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.

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

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

7 27-59-11. (1) A tax at the rate of Thirty-five-hundredths  
8 Cent (.354) per gallon is hereby levied upon any person engaged in  
9 business as a distributor of compressed gas, excepting natural  
10 gas, for the privilege of engaging in such business or acting as  
11 such distributor. The tax shall be based on all compressed gas,  
12 excepting natural gas, stored, used, distributed, manufactured,  
13 refined, distilled, blended or compounded in this state or  
14 received in this state for sale, storage, distribution or for any  
15 other purpose.

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

17 (a) Compressed gas is withdrawn from storage at a  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

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

25 (c) Compressed gas imported by any person, other than a  
26 common carrier, enters the State of Mississippi, unless the  
27 compressed gas is unloaded directly into an underground cavern or



28 cavity for storage or directly into the storage tanks of a  
29 refinery, marine or pipeline terminal.

30 (2) A tax at the rate of Seventeen Cents (174) per gallon  
31 until the date specified in Section 65-39-35, and Thirteen and  
32 Four-tenths Cents (13.44) per gallon thereafter, is levied upon  
33 any distributor of compressed gas for the privilege of engaging in  
34 the business of selling or delivering compressed gas, excepting  
35 compressed natural gas and liquefied natural gas, for use in a  
36 motor vehicle or motor vehicles on the highways of this state. A  
37 tax at the rate of Eighteen Cents (184) per one hundred (100)  
38 cubic feet until the date specified in Section 65-39-35, and  
39 Fourteen and Four-tenths Cents (14.44) per one hundred (100) cubic  
40 feet thereafter, is levied upon any distributor of compressed gas  
41 for the privilege of engaging in the business of selling or  
42 delivering compressed natural gas and liquefied natural gas for  
43 use in a motor vehicle or motor vehicles on the highways of this  
44 state. A tax at the rate of Eighteen Cents (184) per one hundred  
45 (100) cubic feet until the date specified in Section 65-39-35, and  
46 Fourteen and Four-tenths Cents (14.44) per one hundred (100) cubic  
47 feet thereafter, is levied upon any public utility for the  
48 privilege of engaging in the business of selling or delivering  
49 natural gas to a user for the purpose of being used as a fuel in a  
50 motor vehicle or motor vehicles on the highways of this state, and  
51 the taxes shall be collected from the user whenever practical.  
52 The taxes levied in this subsection shall not apply when sales or  
53 deliveries are made to persons who are holders of permitted  
54 compressed gas user's decals.

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



61 65-39-35, and One Hundred Sixty-five Dollars (\$165.00) thereafter.

62 (4) Upon every person operating on the highways of this  
63 state a motor vehicle or motor vehicles using or capable of using  
64 compressed gas and having a gross license tag weight  
65 classification greater than ten thousand (10,000) pounds, there is  
66 hereby levied a privilege tax of Seventeen Cents (17¢) per gallon  
67 until the date specified in Section 65-39-35, and Thirteen and  
68 Four-tenths Cents (13.44¢) per gallon thereafter, on all compressed  
69 gas, excepting compressed natural gas and liquefied natural gas,  
70 used on the highways of this state. There is hereby levied a  
71 privilege tax of Eighteen Cents (18¢) per one hundred (100) cubic  
72 feet until the date specified in Section 65-39-35, and Fourteen  
73 and Four-tenths Cents (14.44¢) per one hundred (100) cubic feet  
74 thereafter, on all compressed natural gas and liquefied natural  
75 gas used on the highways of this state. The taxes levied in this  
76 paragraph shall not apply to owners or operators classified by the  
77 commission as nonpermitted users.

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



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

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

103           27-59-13. The excise taxes levied in this chapter shall  
104 become due and payable on or before the twentieth day of the month  
105 succeeding the month in which the tax accrues. Each distributor  
106 shall file with the commission a monthly report setting forth the  
107 quantity of compressed gas received within this state, less any  
108 authorized exemptions; the quantity of compressed gas sold for use  
109 on the highways of this state; and any other information as may be  
110 reasonably necessary for the administration of this chapter. The  
111 distributor shall remit to the commission, with the monthly  
112 report, the full amount of the excise tax shown thereon to be due.

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

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

124           The monthly report of the distributor shall be prepared and  
125 filed with the commission on forms prescribed by the commission or



126 the distributor may, with the approval of the commission, furnish  
127 the required information on machine-prepared schedules. Such  
128 monthly reports shall be signed by the distributor or his duly  
129 authorized agent and contain a declaration that the statements  
130 contained therein are true and are made under the penalty of  
131 perjury.

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

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

