

By: Representatives Broomfield, Watson,
Fleming

To: Ways and Means

HOUSE BILL NO. 1557

1 AN ACT TO AMEND SECTION 27-55-519, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT NO SPECIAL FUEL EXCISE TAX SHALL BE DUE ON THE
3 SALE, USE OR CONSUMPTION, DISTRIBUTION, STORAGE OR WITHDRAWAL FROM
4 STORAGE IN THIS STATE OF SPECIAL FUEL SOLD OR DELIVERED INTO A
5 FOREIGN TRADE ZONE WITHIN THIS STATE AND USED TO PROPEL AIRCRAFT
6 ON AN INTERNATIONAL FLIGHT, INCLUDING ANY INTERIM STOPS WITHIN THE
7 UNITED STATES SO LONG AS THE ULTIMATE ORIGIN OR DESTINATION OF THE
8 AIRCRAFT IS OUTSIDE THE UNITED STATES AND DISTRICT OF COLUMBIA;
9 AND FOR RELATED PURPOSES.

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

11 **SECTION 1.** Section 27-55-519, Mississippi Code of 1972, is
12 amended as follows:

13 27-55-519. (1) Any person engaged in business as a
14 distributor of special fuel or who acts as a distributor of
15 special fuel, as defined in this article, shall pay for the
16 privilege of engaging in such business or acting as such
17 distributor an excise tax on all special fuel stored, used, sold,
18 distributed, manufactured, refined, distilled, blended or
19 compounded in this state or received in this state for sale,
20 storage, distribution or for any purpose, adjusted to sixty (60)
21 degrees Fahrenheit.

22 The excise tax shall become due and payable when:

23 (a) Special fuel is withdrawn from storage at a
24 refinery, marine or pipeline terminal, except when withdrawal is
25 by barge or pipeline.

26 (b) Special fuel imported by a common carrier is
27 unloaded by that carrier unless the special fuel is unloaded
28 directly into the storage tanks of a refinery, marine or pipeline
29 terminal.

30 (c) Special fuel imported by any person other than a
31 common carrier enters the State of Mississippi unless the special
32 fuel is unloaded directly into the storage tanks of a refinery,
33 marine or pipeline terminal.

34 (d) Special fuel is blended in this state unless such
35 blending occurs in a refinery, marine or pipeline terminal.

36 (e) Special fuel is acquired tax free.

37 (2) The special fuel excise tax shall be as follows:

38 (a) Eighteen Cents (18¢) per gallon on undyed diesel
39 fuel until the date specified in Section 65-39-35 and Fourteen and
40 Three-fourths Cents (14.75¢) per gallon thereafter;

41 (b) Five and Three-fourths Cents (5.75¢) per gallon on
42 all special fuel except undyed diesel fuel and special fuel used
43 as fuels in aircraft; and

44 (c) Five and One-fourth Cents (5.25¢) per gallon on
45 special fuel used as fuel in aircraft; provided, however, no
46 excise tax shall be due and payable on the sale, use or
47 consumption, distribution, storage or withdrawal from storage in
48 this state of special fuel sold or delivered into a Foreign Trade
49 Zone within this state and used to propel aircraft on an
50 international flight including any interim stops within the United
51 States so long as the ultimate origin or destination of the
52 aircraft is outside the United States and District of Columbia.

53 **SECTION 2.** This act shall take effect and be in force from
54 and July 1, 2007.