



# SENATE BILL No. 746

November 2, 1995, Introduced by Senators HONIGMAN and CARL and referred to the Committee on Transportation and Tourism.

A bill to amend sections 2 and 4 of Act No. 119 of the Public Acts of 1980, entitled "Motor carrier fuel tax act," being sections 207.212 and 207.214 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 2 and 4 of Act No. 119 of the Public  
2 Acts of 1980, being sections 207.212 and 207.214 of the Michigan  
3 Compiled Laws, are amended to read as follows:

4 Sec. 2. (1) A motor carrier licensed under this act shall  
5 pay a road tax calculated on the amount of motor fuel consumed in  
6 vehicular operations on the public roads or highways within this  
7 state. The tax shall be at the same rate as adjusted to provide  
8 the discount required by section 22 of Act No. 150 of the Public  
9 Acts of 1927, ~~as amended,~~ BEING SECTION 207.122 OF THE MICHIGAN

1 COMPILED LAWS, as the tax imposed pursuant to Act No. 150 of the  
2 Public Acts of 1927, ~~as amended,~~ BEING SECTIONS 207.101 TO  
3 207.202 OF THE MICHIGAN COMPILED LAWS, on the purchase of the  
4 same motor fuel PLUS AN AMOUNT EQUAL TO 6% OF THE STATEWIDE AVER-  
5 AGE RETAIL PRICE OF A GALLON OF DIESEL FUEL AS DETERMINED AND  
6 CERTIFIED BY THE DEPARTMENT ROUNDED UP TO THE NEAREST 1/10 OF 1  
7 CENT. A return shall be filed, and the tax due paid, quarterly  
8 to the department on or before the twentieth day of January,  
9 April, July, and October of each year on a form prescribed and  
10 furnished by the department. Each quarterly return and tax pay-  
11 ment shall cover the liability for the annual quarter ending on  
12 the last day of the preceding month.

13 (2) The amount of motor fuel consumed in the operation of a  
14 motor carrier on public roads or highways within this state shall  
15 be determined by dividing the miles traveled within Michigan by  
16 the average miles per gallon of motor fuel. The average miles  
17 per gallon of motor fuel shall be determined by dividing the  
18 miles traveled within and outside of Michigan by the total amount  
19 of motor fuel consumed within and outside of Michigan.

20 (3) In the absence of records showing the average number of  
21 miles operated per gallon of motor fuel, it shall be presumed  
22 that 1 gallon of motor fuel is consumed for every 4 miles  
23 traveled.

24 (4) The quarterly tax return shall be accompanied by a  
25 remittance covering any tax due.

26 (5) The commissioner may exempt from the reporting and  
27 payment requirements of this section those motor carriers whose

1 total mileage is within this state and require, as a condition to  
2 this exemption, the filing of an annual affidavit attesting to  
3 the intrastate character of their operations. However, an exemp-  
4 tion shall not be granted if the enforcement of licensing and  
5 trip permits is adversely affected and the commissioner is not  
6 satisfied that an equitable amount of motor fuel is purchased  
7 within this state by motor carriers receiving an exemption.

8 (6) The commissioner, when he or she considers it necessary  
9 to ensure payment of the tax or to provide a more efficient  
10 administration of the tax, may require the filing of returns and  
11 payment of the tax for other than quarterly periods.

12 Sec. 4. (1) A person filing a return pursuant to section 2  
13 who purchased motor fuel in this state upon which a tax was  
14 imposed and not refunded pursuant to Act No. 150 of the Public  
15 Acts of 1927, ~~as amended~~ BEING SECTIONS 207.101 TO 207.202 OF  
16 THE MICHIGAN COMPILED LAWS, shall be entitled to a credit against  
17 the tax imposed by this act equal to the tax paid when purchasing  
18 the motor fuel pursuant to Act No. 150 of the Public Acts of  
19 1927. ~~, as amended.~~ The excess of a credit allowed by this sub-  
20 section over tax liabilities imposed by this act shall be  
21 refunded to the taxpayer.

22 (2) In order to secure credit under subsection (1) for motor  
23 fuel purchased in this state the motor carrier shall secure a  
24 receipt showing the seller's name, the number of gallons of motor  
25 fuel, the type of motor fuel, the address of the seller, the  
26 license number or unit number of the commercial motor vehicle,  
27 and the date of sale.

1           (3) A MOTOR CARRIER MAY CREDIT AGAINST THE TAX IMPOSED BY  
2 THIS ACT ON EACH QUARTERLY RETURN FILED UNDER THIS SUBSECTION THE  
3 SALES TAX PAID ON DIESEL FUEL PURCHASED IN THIS STATE DURING THE  
4 PRECEDING CALENDAR QUARTER.

5           (4) ~~(3)~~ A refund, when approved by the department, shall  
6 be payable from the revenue received under this act.