

**SUBSTITUTE FOR
HOUSE BILL NO. 5582**

A bill to amend 1945 PA 327, entitled
"Aeronautics code of the state of Michigan,"
by amending section 203 (MCL 259.203), as amended by 2000 PA 404.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 203. (1) There is hereby imposed a privilege tax of 3
2 cents per gallon on all fuel sold or used in producing or
3 generating power for propelling aircraft using the aeronautical
4 facilities on the lands and waters of this state. The tax shall be
5 collected and remitted in the same manner and method and at the
6 same time as prescribed by law for the collection of the gasoline
7 tax imposed on all gasoline used in producing or generating power
8 for propelling motor vehicles used upon the public highways of this
9 state under the motor fuel tax act, 2000 PA 403, MCL 207.1001 TO

1 207.1170. A refund of ~~1-1/2~~ 1-1/2 cents per gallon shall be made to
2 airline operators who show proof within 6 months after purchase
3 that they are operating interstate on scheduled operations.

4 (2) If a person required to register with the department of
5 treasury under section 94 of the motor fuel tax act, 2000 PA 403,
6 MCL 207.1094, is not registered, the person shall not purchase fuel
7 under this act at the rate imposed by subsection (1), but shall pay
8 the applicable rate imposed on motor fuel by section 8 of the motor
9 fuel tax act, 2000 PA 403, MCL 207.1008.

10 (3) THE TAX IMPOSED UNDER SUBSECTION (1) IS NOT IMPOSED ON
11 AVIATION FUEL IF THE PURCHASER HAS CERTIFIED IN WRITING TO THE
12 SELLER THAT THE AVIATION FUEL IS BEING PURCHASED SOLELY FOR THE
13 PURPOSE OF FORMULATING LEADED RACING FUEL AS THAT TERM IS DEFINED
14 IN SECTION 4 OF THE MOTOR FUEL TAX ACT, 2000 PA 403, MCL 207.1004.
15 AVIATION FUEL QUALIFYING UNDER THIS SUBSECTION SHALL BE IDENTIFIED
16 ON SHIPPING PAPERS AND INVOICES AS "AVIATION FUEL EXEMPT FOR LRF".

17 Enacting section 1. This amendatory act takes effect 60 days
18 after the date it is enacted into law.

19 Enacting section 2. This amendatory act does not take effect
20 unless House Bill No. 5583 of the 94th Legislature is enacted into
21 law.