

**HB1515/813325/1**

BY: Delegate Beitzel

AMENDMENTS TO HOUSE BILL 1515, AS AMENDED  
(First Reading File Bill)

AMENDMENT NO. 1

On page 1 of the bill, in line 31, after “circumstances;” insert “imposing a certain additional tax on certain motor fuel in certain jurisdictions; establishing the rate of the tax as a certain percentage of the sales price charged by a distributor for motor fuel sold to a retail service station dealer in certain jurisdictions; requiring the tax to be imposed at a certain time and collected and paid in a certain manner; requiring a distributor to file a motor fuel mass transit tax return at certain times; allowing a distributor to deduct a certain amount of the motor fuel mass transit tax due to reimburse the distributor for certain expenses; providing that certain exemptions, refunds, procedures, and penalties that apply to the motor fuel tax also apply to the motor fuel mass transit tax, unless certain regulations provide otherwise; requiring the Comptroller to adopt regulations implementing the motor fuel mass transit tax; requiring regulations adopted by the Comptroller to address certain matters; requiring that motor fuel mass transit tax revenue be distributed in a certain manner; creating the Mass Transit Account in the Transportation Trust Fund to pay the cost of light rail and subway transit facilities and transit service operated by the Maryland Transit Administration in certain jurisdictions; requiring that certain motor fuel mass transit tax revenue be credited to the Mass Transit Account; prohibiting the Department of Transportation from budgeting more than a certain amount of certain funds in the Transportation Trust Fund to pay certain transit costs; authorizing the Department to budget funds in the Transportation Trust Fund to pay certain transit costs in excess of a certain amount only if the excess amount is paid from the Mass Transit Account;”.

On page 2 of the bill, in line 15, strike “2-1302.2” and substitute “1-101(n-1); 2-11A-01 through 2-11A-03 to be under new subtitle “Subtitle 11A. Motor Fuel Mass Transit Tax Distribution”; 2-1302.2”; and in the same line, after “9-306” insert “; and 9-401 through 9-407 to be under the new subtitle “Subtitle 4. Motor Fuel Mass Transit Tax””.

(Over)

AMENDMENT NO. 2

On page 1 of the Committee on Ways and Means Amendments (HB1515/415364/1), in the last line of Amendment No. 1, strike "7-208(b-2) and" and substitute "7-208(b-2), 7-309, and".

AMENDMENT NO. 3

On page 6 of the bill, after line 30, insert:

"Article – Tax – General

1-101.

(N-1) "MOTOR FUEL MASS TRANSIT TAX" MEANS THE TAX IMPOSED UNDER TITLE 9, SUBTITLE 4 OF THIS ARTICLE.

SUBTITLE 11A. MOTOR FUEL MASS TRANSIT TAX DISTRIBUTION.

2-11A-01.

FROM THE MOTOR FUEL MASS TRANSIT TAX REVENUE, THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO PAY REFUNDS RELATING TO THE MOTOR FUEL MASS TRANSIT TAX TO A REFUND ACCOUNT.

2-11A-02.

AFTER MAKING THE DISTRIBUTION REQUIRED UNDER § 2-11A-01 OF THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE THE AMOUNT NECESSARY TO ADMINISTER THE MOTOR FUEL MASS TRANSIT TAX TO AN ADMINISTRATIVE COST ACCOUNT.

2-11A-03.

AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER §§ 2-11A-01 AND 2-11A-02 OF THIS SUBTITLE, THE COMPTROLLER SHALL DISTRIBUTE THE REMAINING MOTOR FUEL MASS TRANSIT TAX REVENUE TO THE MASS TRANSIT ACCOUNT IN THE TRANSPORTATION TRUST FUND UNDER § 7-309 OF THE TRANSPORTATION ARTICLE.

SUBTITLE 4. MOTOR FUEL MASS TRANSIT TAX.

9-401.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “DISTRIBUTOR” MEANS A PERSON WHO ENGAGES IN THE BUSINESS OF SELLING MOTOR FUEL AT WHOLESALE TO RETAIL SERVICE STATION DEALERS FOR RETAIL SALE IN THE STATE.

(C) “RETAIL SERVICE STATION DEALER” HAS THE MEANING STATED IN § 10-101 OF THE BUSINESS REGULATION ARTICLE.

9-402.

IN ADDITION TO THE TAX IMPOSED UNDER SUBTITLE 3 OF THIS TITLE, A TAX IS IMPOSED ON MOTOR FUEL THAT IS SOLD BY A DISTRIBUTOR TO A RETAIL SERVICE STATION DEALER IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, MONTGOMERY COUNTY, OR PRINCE GEORGE’S COUNTY.

(Over)

9-403.

THE MOTOR FUEL MASS TRANSIT TAX RATE IS 2.1% OF THE SALES PRICE CHARGED BY A DISTRIBUTOR FOR MOTOR FUEL SOLD TO A RETAIL SERVICE STATION DEALER FOR RETAIL SALE IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, MONTGOMERY COUNTY, OR PRINCE GEORGE'S COUNTY.

9-404.

(A) THE MOTOR FUEL MASS TRANSIT TAX IS IMPOSED AT THE TIME OF SALE OF MOTOR FUEL BY A DISTRIBUTOR TO A RETAIL SERVICE STATION DEALER.

(B) A DISTRIBUTOR SHALL PAY THE MOTOR FUEL MASS TRANSIT TAX IN ACCORDANCE WITH § 9-405 OF THIS SUBTITLE.

(C) A DISTRIBUTOR SHALL STATE SEPARATELY THE AMOUNT OF THE MOTOR FUEL MASS TRANSIT TAX AND ADD THE AMOUNT OF THE TAX TO THE SALES PRICE OF MOTOR FUEL.

(D) THE MOTOR FUEL MASS TRANSIT TAX IS:

(1) A DEBT OF A RETAIL SERVICE STATION DEALER TO THE DISTRIBUTOR UNTIL PAID; AND

(2) RECOVERABLE AT LAW BY A DISTRIBUTOR FROM A RETAIL SERVICE STATION DEALER IN THE SAME MANNER AS OTHER DEBTS.

9-405.

(A) A DISTRIBUTOR SHALL COMPLETE, UNDER OATH, AND FILE WITH THE COMPTROLLER A MOTOR FUEL MASS TRANSIT TAX RETURN FOR EACH MONTH IN WHICH THE DISTRIBUTOR SELLS MOTOR FUEL IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, MONTGOMERY COUNTY, OR PRINCE GEORGE'S COUNTY.

(B) THE MOTOR FUEL MASS TRANSIT TAX RETURN IS DUE AT THE TIME A MOTOR FUEL TAX RETURN IS DUE UNDER § 9-308(A) OF THIS TITLE.

(C) A DISTRIBUTOR MAY DEDUCT 0.5% OF THE MOTOR FUEL MASS TRANSIT TAX DUE ON A MONTHLY BASIS TO REIMBURSE THE DISTRIBUTOR FOR EXPENSES INCURRED FOR THE STATE IN KEEPING RECORDS AND COLLECTING THE MOTOR FUEL MASS TRANSIT TAX.

9-406.

EXCEPT AS OTHERWISE PROVIDED IN REGULATIONS ADOPTED BY THE COMPTROLLER:

(1) EXEMPTIONS AND REFUNDS THAT APPLY TO THE MOTOR FUEL TAX ALSO APPLY TO THE MOTOR FUEL MASS TRANSIT TAX; AND

(2) PROCEDURES AND PENALTIES THAT APPLY TO THE MOTOR FUEL TAX UNDER TITLE 13 OF THIS ARTICLE ALSO APPLY TO THE MOTOR FUEL MASS TRANSIT TAX.

9-407.

(A) THE COMPTROLLER SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SUBTITLE.

(B) REGULATIONS ADOPTED BY THE COMPTROLLER UNDER THIS SECTION SHALL:

(1) ESTABLISH REQUIREMENTS FOR THE MAINTENANCE OF RECORDS BY DISTRIBUTORS AND OTHER PERSONS AS NECESSARY TO ADMINISTER THE MOTOR FUEL MASS TRANSIT TAX AND PROVIDE FOR INSPECTION OF THOSE RECORDS BY THE COMPTROLLER; AND

(2) PROVIDE FOR ALL ASPECTS OF THE LICENSING OF DISTRIBUTORS, INCLUDING:

(I) QUALIFICATIONS FOR A LICENSE;

(II) THE APPLICATION PROCESS;

(III) TERM OF A LICENSE;

(IV) RIGHTS OF LICENSE HOLDERS;

(V) CANCELLATION OF A LICENSE; AND

(VI) THE PROCESS FOR APPEALING A DECISION TO DENY OR CANCEL A LICENSE.”

On page 7 of the bill, in line 18, after “Account,” insert “THE MASS TRANSIT ACCOUNT,”; and in line 26, strike “After” and substitute “SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, AFTER”.

On page 8 of the bill, after line 30, insert:

“(3) (I) IN THIS PARAGRAPH, “TRANSIT COSTS” MEANS THE COST OF LIGHT RAIL AND METRO SUBWAY TRANSIT FACILITIES AND TRANSIT SERVICE OPERATED BY THE MARYLAND TRANSIT ADMINISTRATION IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, MONTGOMERY COUNTY, AND PRINCE GEORGE’S COUNTY.

(II) FOR EACH FISCAL YEAR:

1. OF THE FUNDS IN THE TRANSPORTATION TRUST FUND THAT ARE NOT CREDITED TO THE MASS TRANSIT ACCOUNT, THE DEPARTMENT MAY NOT BUDGET AN AMOUNT TO PAY TRANSIT COSTS IN EXCESS OF THE AMOUNT BUDGETED FOR THAT PURPOSE IN FISCAL YEAR 2012; AND

2. THE DEPARTMENT MAY BUDGET FUNDS IN THE TRANSPORTATION TRUST FUND TO PAY TRANSIT COSTS IN EXCESS OF THE AMOUNT BUDGETED FOR THAT PURPOSE IN FISCAL YEAR 2012 ONLY IF THE EXCESS AMOUNT IS PAID FROM THE MASS TRANSIT ACCOUNT.”;

and in line 31, strike “(3)” and substitute “(4)”.

On page 9 of the bill, in line 1, strike “(4)” and substitute “(5)”.

AMENDMENT NO. 4

(Over)

On page 10 of the Committee on Ways and Means Amendments, after the last line of Amendment No. 4, insert:

“7-309.

(A) THERE IS A MASS TRANSIT ACCOUNT IN THE TRANSPORTATION TRUST FUND.

(B) THERE SHALL BE CREDITED TO THE MASS TRANSIT ACCOUNT A PORTION OF MOTOR FUEL MASS TRANSIT TAX REVENUE AS PROVIDED IN § 2-11A-03 OF THE TAX – GENERAL ARTICLE.

(C) FUNDS IN THE MASS TRANSIT ACCOUNT SHALL BE USED TO PAY THE COST OF LIGHT RAIL AND METRO SUBWAY TRANSIT FACILITIES AND TRANSIT SERVICE OPERATED BY THE ADMINISTRATION IN ANNE ARUNDEL COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, MONTGOMERY COUNTY, AND PRINCE GEORGE’S COUNTY.”.