

HOUSE BILL 52

Q5

8lr0568

(PRE-FILED)

By: **Delegate Montgomery**

Requested: August 28, 2007

Introduced and read first time: January 9, 2008

Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation - Motor Fuel Tax - Special Fuel - Exemption**

3 FOR the purpose of exempting special fuel used by certain persons from the motor fuel
4 tax; altering a certain definition under the motor fuel tax law; and generally
5 relating to the imposition of the motor fuel tax on special fuel.

6 BY repealing and reenacting, with amendments,
7 Article - Tax - General
8 Section 9-301(t) and 9-303(b)
9 Annotated Code of Maryland
10 (2004 Replacement Volume and 2007 Supplement)

11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
12 MARYLAND, That the Laws of Maryland read as follows:

13 **Article - Tax - General**

14 9-301.

15 (t) (1) "Special fuel user" means a person who engages in the business of
16 a special fuel user.

17 (2) "Special fuel user" does not include:

18 (i) a person whose [only] **CUMULATIVE** storage for special fuel
19 [is the fuel supply tank of a motor vehicle] **DOES NOT EXCEED 100 GALLONS;**

20 (ii) a volunteer fire or nonprofit volunteer rescue company that
21 is incorporated in the State and buys special fuel from a licensed special fuel seller to
22 operate fire fighting vehicles or equipment; or

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (iii) a person who pays the motor fuel tax on all special fuels to
2 the supplier of the special fuels.

3 9-303.

4 (b) The motor fuel tax does not apply to special fuel:

5 (1) containing dye and sold for uses other than in a licensed motor
6 vehicle;

7 (2) delivered into a tank used only for heating; [or]

8 (3) **USED BY A PERSON WHOSE CUMULATIVE STORAGE FOR**
9 **SPECIAL FUEL DOES NOT EXCEED 100 GALLONS; OR**

10 (4) used for any purpose other than propelling a motor vehicle or
11 turbine-powered aircraft.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 July 1, 2008.