

SENATE BILL 399

Q5

11r0805
CF 11r2493

By: **Senators King, Colburn, Garagiola, Manno, McFadden, Peters, Pugh, Ramirez, and Robey**

Introduced and read first time: February 4, 2011

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Green Fuel Initiative – Motor Fuel Taxes – Biodiesel**

3 FOR the purpose of altering the motor fuel tax rate for certain biodiesel fuel; defining
4 a certain term and altering a certain definition under the motor fuel tax law;
5 and generally relating to the motor fuel tax.

6 BY adding to

7 Article – Tax – General
8 Section 9–101(c–1)
9 Annotated Code of Maryland
10 (2010 Replacement Volume)

11 BY repealing and reenacting, with amendments,

12 Article – Tax – General
13 Section 9–101(h) and 9–305
14 Annotated Code of Maryland
15 (2010 Replacement Volume)

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

18 **Article – Tax – General**

19 9–101.

20 **(C–1) “BIODIESEL FUEL” MEANS A FUEL OR MIXTURE OF FUEL AT LEAST**
21 **10% OF WHICH IS DERIVED FROM AGRICULTURAL PRODUCTS OR ANIMAL FATS**
22 **OR THE WASTES OF AGRICULTURAL PRODUCTS OR ANIMAL FATS.**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (h) (1) “Special fuel” means a product that is usable as fuel in an internal
2 combustion engine.

3 (2) “Special fuel” includes:

4 (I) clean–burning fuel except electricity; AND

5 (II) **BIODIESEL FUEL.**

6 (3) “Special fuel” does not include gasoline.

7 9–305.

8 The motor fuel tax rate is:

9 (1) 7 cents for each gallon of aviation gasoline;

10 (2) 23.5 cents for each gallon of gasoline other than aviation gasoline;

11 (3) 24.25 cents for each gallon of special fuel other than clean–burning
12 fuel, **BIODIESEL FUEL**, or turbine fuel;

13 (4) 7 cents for each gallon of turbine fuel; [and]

14 (5) 23.5 cents for each gasoline–equivalent gallon of clean–burning
15 fuel except electricity; AND

16 (6) **14.25 CENTS FOR EACH GALLON OF BIODIESEL FUEL.**

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 July 1, 2011.