

# HOUSE BILL No. 4954

May 19, 2009, Introduced by Reps. Proos, Angerer, Spade, Kurtz, Tyler, Lori, Schuitmaker, Valentine and Knollenberg and referred to the Committee on Tax Policy.

A bill to amend 2004 PA 175, entitled  
"Streamlined sales and use tax revenue equalization act,"  
by amending section 5 (MCL 205.175).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 5. (1) There is levied upon and there shall be collected  
2       from every person in this state who is an interstate motor carrier  
3       a specific tax for the privilege of using or consuming diesel fuel  
4       **PURCHASED OUTSIDE OF THIS STATE FOR USE** in a qualified commercial  
5       motor vehicle in this state at a cents-per-gallon rate equal to 6%  
6       of the statewide average retail price of a gallon of self-serve  
7       diesel fuel rounded down to the nearest 1/10 of a cent as  
8       determined and certified quarterly by the department. ~~This tax on~~  
9       ~~diesel fuel used by interstate motor carriers in a qualified~~

1 ~~commercial motor vehicle shall be collected under the international~~  
2 ~~fuel tax agreement.~~

3 (2) EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THERE IS  
4 LEVIED UPON AND THERE SHALL BE COLLECTED FROM EVERY PERSON IN THIS  
5 STATE WHO IS AN INTERSTATE MOTOR CARRIER A SPECIFIC TAX FOR THE  
6 PRIVILEGE OF USING OR CONSUMING DIESEL FUEL PURCHASED IN THIS STATE  
7 FOR USE IN A QUALIFIED COMMERCIAL MOTOR VEHICLE IN THIS STATE AT A  
8 CENTS-PER-GALLON RATE EQUAL TO 6% OF THE STATEWIDE AVERAGE RETAIL  
9 PRICE OF A GALLON OF SELF-SERVE DIESEL FUEL ROUNDED DOWN TO THE  
10 NEAREST 1/10 OF A CENT AS DETERMINED AND CERTIFIED QUARTERLY BY THE  
11 DEPARTMENT. THE SPECIFIC TAX UNDER THIS SECTION DOES NOT APPLY IF  
12 THE PURCHASE OF THE DIESEL FUEL FOR USE IN A QUALIFIED MOTOR  
13 VEHICLE WAS SUBJECT TO SALES TAX.

14 (3) THE SPECIFIC TAX ON DIESEL FUEL PURCHASED BY AN INTERSTATE  
15 MOTOR CARRIER FOR USE IN A QUALIFIED COMMERCIAL MOTOR VEHICLE UNDER  
16 SUBSECTION (1) AND (2) SHALL BE COLLECTED UNDER THE INTERNATIONAL  
17 FUEL TAX AGREEMENT.

18 (4) ~~(2)~~—An interstate motor carrier is entitled to a credit  
19 for 6% of the price of diesel fuel purchased in this state and used  
20 in a qualified commercial motor vehicle **IF THE PURCHASE OF THAT**  
21 **DIESEL FUEL WAS NOT EXEMPT FROM SALES TAX UNDER SECTION 4FF OF THE**  
22 **GENERAL SALES TAX ACT, 1893 PA 206, MCL 205.54FF.** This credit shall  
23 be claimed on the returns filed under the international fuel tax  
24 agreement.