

1 HB235
2 174099-1
3 By Representative Greer
4 RFD: Ways and Means General Fund
5 First Read: 16-FEB-16

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8 SYNOPSIS: This bill would levy a motor fuel tax on
9 certain fuels that are delivered to a destination
10 in this state.

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12 A BILL
13 TO BE ENTITLED
14 AN ACT

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16 To amend Section 40-17-328, Code of Alabama 1975,
17 relating to the levy of motor fuel tax; to levy the tax on
18 certain fuels that are delivered to a destination in this
19 state.

20 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

21 Section 1. Section 40-17-328, Code of Alabama 1975,
22 is amended to read as follows:

23 "§40-17-328.

24 "(a) The tax levied pursuant to Section 40-17-325 is
25 levied on all of the following:

1 "(1) Dyed diesel fuel that is used to operate a
2 highway vehicle other than dyed diesel fuel used in city and
3 county vehicles.

4 "(2) Motor fuel that is used to operate a highway
5 vehicle after an application for a refund of tax paid on the
6 motor fuel is made or allowed on the basis that the motor fuel
7 was used for an off-highway purpose.

8 "(3) Aviation gasoline on which a tax was imposed
9 under subdivision (3) of subsection (a) of Section 40-17-325
10 that is used other than for fuel in an aircraft is subject to
11 the tax rate imposed under subdivision (1) of subsection (a)
12 of Section 40-17-325.

13 "(4) Aviation jet fuel on which a tax was imposed
14 under subdivision (3) of subsection (a) of Section 40-17-325
15 that is used other than for fuel in an aircraft is subject to
16 the tax rate imposed under subdivision (2) of subsection (a)
17 of Section 40-17-325.

18 "(5) Motor fuel acquired exempt pursuant to
19 subdivision (1) of subsection (a) of Section 40-17-329 that
20 was not exported but rather was delivered to a destination in
21 this state.

22 "(b) The operator of a highway vehicle that uses
23 untaxed or refunded motor fuel that is taxable under
24 subdivisions (1) and (2) of subsection (a) is liable for the
25 tax. If the highway vehicle that uses the motor fuel is owned
26 by or leased to a motor carrier, the operator of the highway
27 vehicle and the motor carrier are jointly and severally liable

1 for the tax. If the ultimate vendor of motor fuel taxable
2 under this section knew or had reason to know that the motor
3 fuel would be used for a purpose that is taxable under this
4 section, the operator of the highway vehicle and the end
5 seller are jointly and severally liable for the tax.

6 "(c) The licensed aviation fuel dealer selling the
7 aviation gasoline or aviation jet fuel that is not used in an
8 aircraft is liable for the tax owed under subdivisions (3) and
9 (4) of subsection (a).

10 "(d) The tax liability levied by this section is in
11 addition to any other penalty imposed pursuant to this
12 article."

13 Section 2. This act shall become effective October
14 1, 2016, following its passage and approval by the Governor,
15 or its otherwise becoming law.