

1 HB50  
2 179131-1  
3 By Representative Martin  
4 RFD: Transportation, Utilities and Infrastructure  
5 First Read: 16-AUG-16

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8 SYNOPSIS: This bill would provide for additional  
9 gasoline and diesel fuel excise taxes to bring the  
10 excise taxes in line with the average gasoline  
11 taxes and fees levied in the four states bordering  
12 Alabama. The revenue from the additional taxes  
13 would be paid into the Alabama Transportation  
14 Safety Fund and would be expended only as  
15 authorized by law.

16 This bill would also provide additional fees  
17 for private passenger alternative fuel vehicles and  
18 commercial alternative fuel vehicles and would  
19 require that the fees be paid into the Alabama  
20 Transportation Safety Fund and expended only as  
21 authorized by law.

22  
23 A BILL  
24 TO BE ENTITLED  
25 AN ACT  
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1           To amend Section 40-17-325, Code of Alabama 1975,  
2 relating to gasoline and diesel fuel taxes, to provide for  
3 additional gasoline and diesel fuel taxes; to provide for the  
4 additional gasoline and diesel fuel taxes to be based upon the  
5 difference between the Border States Average Gasoline Tax and  
6 the Alabama Tax on Gasoline; and to add Section 40-12-275 to  
7 the Code of Alabama 1975, to provide additional fees for  
8 private passenger alternative fuel vehicles and commercial  
9 alternative fuel vehicles.

10 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

11           Section 1. Section 40-17-325, Code of Alabama 1975,  
12 is amended to read as follows:

13           "§40-17-325.

14           "(a) Subject to the exemptions provided for in this  
15 article, the tax is imposed on net gallons of motor fuel  
16 according to Section 40-17-326 at the following rates:

17           "(1) Eighteen cents (\$.18) per gallon on gasoline,  
18 which is comprised of a seven cents (\$.07) excise tax, a  
19 supplemental five cents (\$.05) excise tax, and an additional  
20 six cent (\$.06) excise tax.

21           "(2) Nineteen cents (\$.19) per gallon on diesel  
22 fuel, comprised of a thirteen cents (\$.13) excise tax and an  
23 additional six cents (\$.06) excise tax.

24           "(3) Nine and one-half cents per gallon (\$.095) on  
25 aviation gasoline and three and one-half cents per gallon  
26 (\$.035) on aviation jet fuel when the aviation fuel is sold to  
27 a licensed aviation fuel purchaser. Aviation gasoline is to be

1 taxed as gasoline and aviation jet fuel is to be taxed as  
2 diesel fuel when not sold to a licensed aviation fuel  
3 purchaser.

4 "(b) The motor fuel subject to the excise tax levied  
5 by this section shall not be subject to any other excise tax  
6 levied by this state.

7 "However, the payment of the motor fuel excise tax  
8 levied by this section shall not exempt the seller or importer  
9 of fuel from the license fees levied by Section 40-17-174.

10 "(c) For the purposes of this section, the following  
11 terms shall have the following meanings:

12 "(1) ALABAMA TAX ON GASOLINE. The Total State Excise  
13 Taxes/Fees on Gasoline most recently reported by the American  
14 Petroleum Institute for Alabama on January 1, 2016.

15 "(2) BORDER STATES AVERAGE GASOLINE TAX. The average  
16 of the Total State Excise Taxes/Fees on Gasoline most recently  
17 reported by the American Petroleum Institute on January 1,  
18 2016, for Georgia, Florida, Mississippi, and Tennessee as  
19 calculated by the department.

20 "(d) (1) Effective November 1, 2016, there shall be  
21 additional excise taxes imposed on gasoline and diesel fuel in  
22 an amount equal to the difference between the Border States  
23 Average Gasoline Tax and the Alabama Tax on Gasoline, rounded  
24 to the nearest penny; provided, however, the rate of the  
25 additional excise taxes imposed by this subsection shall not  
26 exceed six cents (\$0.06) per gallon.

1           "(2) The additional gasoline and diesel fuel excise  
2 taxes imposed under the act adding this amendatory language  
3 shall be collected as provided in Section 40-17-326 and paid  
4 into the Alabama Transportation Safety Fund established in  
5 Section 23-1-431, and distributed and expended only as  
6 provided in that section.

7           "(e) (1) No later than October 1, 2016, the  
8 department shall notify the licensees responsible for  
9 collection and payment of these excise taxes pursuant to  
10 Section 40-17-326 of the rate of any additional gasoline and  
11 diesel fuel excise taxes as established herein.

12           "(2) The licensees shall begin collecting and paying  
13 the gasoline and diesel fuel excise taxes at the new rates on  
14 November 1, 2016."

15           Section 2. Section 40-12-275 is added to Division 1  
16 of Article 5 of Chapter 12 of Title 40, Code of Alabama 1975,  
17 to read as follows:

18           §40-12-275.

19           (a) Effective January 1, 2017, in addition to any  
20 other license tax or registration fee levied pursuant to  
21 Chapter 6, Title 32 or Chapter 12, Title 40, Code of Alabama  
22 1975, there shall be an additional annual fee of one hundred  
23 dollars (\$100) for each private passenger alternative fuel  
24 vehicle and an additional annual fee of one hundred fifty  
25 dollars (\$150) for each commercial alternative fuel vehicle.  
26 The additional annual fee, levied by this section, for each  
27 commercial vehicle, registered pursuant to Section 32-6-56,

1 shall be prorated based on the percentage of miles in which  
2 the fleet operated in Alabama. The additional fee levied  
3 herein shall be collected pursuant to Chapter 12, Title 40,  
4 Code of Alabama 1975, and paid into the Alabama Transportation  
5 Safety Fund established in Section 23-1-431, and distributed  
6 and expended only as provided in that section.

7 (b) For the purposes of this section, the following  
8 terms shall have the following meanings:

9 (1) ALTERNATIVE FUEL VEHICLE. A vehicle that runs  
10 solely on natural gas or any energy source other than gasoline  
11 or diesel fuel or operates pursuant to any technology of  
12 powering an engine that does not involve petroleum, which  
13 includes, but is not limited to, an electric vehicle or solar  
14 powered vehicle. The term does not include any vehicle that is  
15 not registered for operation on public roads or highways.

16 (2) COMMERCIAL ALTERNATIVE FUEL VEHICLE. A  
17 commercial motor vehicle as defined in Section 32-6-49.3, Code  
18 of Alabama 1975, that runs or operates on one of the methods  
19 described in subdivision (1).

20 (3) PASSENGER ALTERNATIVE FUEL VEHICLE. A private  
21 passenger automobile as defined in Section 40-12-240(18), Code  
22 of Alabama 1975, that runs or operates on one of the methods  
23 described in subdivision (1).

24 Section 3. This act shall become effective  
25 immediately following its passage and approval by the  
26 Governor, or its otherwise becoming law.