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State of Minnesota
HOUSE OF REPRESENTATIVES

NINETY-SECOND SESSION

H. F. No. 4060

03/07/2022 Authored by Stephenson; Lislegard; Wolgamott; Hanson, J.; Berg and others
The bill was read for the first time and referred to the Committee on Transportation Finance and Policy

1.1 A bill for an act
1.2 relating to transportation; taxes; establishing a temporary moratorium on imposition
1.3 of the motor fuels tax; making transfers; appropriating money.

1.4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5 Section 1. **MOTOR FUELS TAX MORATORIUM.**

1.6 (a) No tax is imposed on motor fuels for the period beginning after May 29, 2022, and
1.7 ending before September 6, 2022, as provided in this section.

1.8 (b) For a transaction or activity giving rise to a tax under Minnesota Statutes, section
1.9 296A.07 or 296A.08, that occurs during the period specified in paragraph (a):

1.10 (1) the tax rate imposed under Minnesota Statutes, section 296A.07, subdivision 3,
1.11 clauses (1) to (3), is 0 cents per gallon;

1.12 (2) the tax rate imposed under Minnesota Statutes, section 296A.08, subdivision 2,
1.13 paragraphs (a), (b), and (d), is 0 cents per gallon; and

1.14 (3) the tax rate imposed under Minnesota Statutes, section 296A.08, subdivision 2,
1.15 paragraph (c), is \$0 per thousand cubic feet or 0 cents per gasoline equivalent.

1.16 (c) For a transaction or activity giving rise to a tax under Minnesota Statutes, section
1.17 296A.08, subdivision 4, that occurs during the period specified in paragraph (a), the rate of
1.18 tax is 0 cents per gallon.

1.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.1 Sec. 2. **MOTOR FUELS TAX MORATORIUM; APPROPRIATION.**

2.2 The amount necessary to implement the requirements under section 1 is appropriated
 2.3 in fiscal year 2022 from the general fund to the commissioner of revenue for the
 2.4 administrative costs of implementation. This is a onetime appropriation and is available
 2.5 until June 30, 2023.

2.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

2.7 Sec. 3. **MOTOR FUELS TAX MORATORIUM; FISCAL YEAR 2022 TRANSFERS.**

2.8 Subdivision 1. **Transfers of nonhighway use amounts.** (a) In fiscal year 2022, each
 2.9 of the amounts as provided in paragraph (b) is transferred from the general fund to the
 2.10 commissioner of transportation for deposit in the respective accounts specified in Minnesota
 2.11 Statutes, section 296A.18, subdivisions 2 to 6 and 7, to provide for foregone revenue due
 2.12 to the motor fuels tax moratorium under section 1.

2.13 (b) The commissioner must determine each of the amounts to transfer under paragraph
 2.14 (a) based on:

2.15 (1) the most recent forecast of total state revenue from the motor fuels tax that is
 2.16 attributable to the period beginning after May 29, 2022, and ending before July 1, 2022, as
 2.17 estimated absent the requirements under section 1; and

2.18 (2) a calculation of amounts that are subject to transfer under Minnesota Statutes, section
 2.19 296A.18, subdivisions 6a and 7, from the revenue estimated under clause (1).

2.20 Subd. 2. **Transfer to highway user tax distribution fund.** (a) In fiscal year 2022, an
 2.21 amount as provided in paragraph (b) is transferred from the general fund to the commissioner
 2.22 of transportation for deposit in the highway user tax distribution fund to provide for foregone
 2.23 revenue due to the motor fuels tax moratorium under section 1.

2.24 (b) The commissioner must determine the amount to transfer under paragraph (a) based
 2.25 on:

2.26 (1) the most recent forecast of total state revenue from the motor fuels tax that is
 2.27 attributable to the period beginning after May 29, 2022, and ending before July 1, 2022, as
 2.28 estimated absent the requirements under section 1; less

2.29 (2) the total from the amount determined for transfer under subdivision 1.

2.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

3.1 Sec. 4. **MOTOR FUELS TAX MORATORIUM; FISCAL YEAR 2023 TRANSFERS.**

3.2 **Subdivision 1. Transfers of nonhighway use amounts.** (a) In fiscal year 2023, each
3.3 of the amounts as provided in paragraph (b) is transferred from the general fund to the
3.4 commissioner of transportation for deposit in the respective accounts specified in Minnesota
3.5 Statutes, section 296A.18, subdivisions 2 to 6 and 7, to provide for foregone revenue due
3.6 to the motor fuels tax moratorium under section 1.

3.7 (b) The commissioner must determine each of the amounts to transfer under paragraph
3.8 (a) based on:

3.9 (1) the most recent forecast of total state revenue from the motor fuels tax that is
3.10 attributable to the period beginning after June 30, 2022, and ending before September 6,
3.11 2022, as estimated absent the requirements under section 1; and

3.12 (2) a calculation of amounts that are subject to transfer under Minnesota Statutes, section
3.13 296A.18, subdivisions 6a and 7, from the revenue estimated under clause (1).

3.14 **Subd. 2. Transfer to highway user tax distribution fund.** (a) In fiscal year 2023, an
3.15 amount as provided in paragraph (b) is transferred from the general fund to the commissioner
3.16 of transportation for deposit in the highway user tax distribution fund to provide for foregone
3.17 revenue due to the motor fuels tax moratorium under section 1.

3.18 (b) The commissioner must determine the amount to transfer under paragraph (a) based
3.19 on:

3.20 (1) the most recent forecast of total state revenue from the motor fuels tax that is
3.21 attributable to the period beginning after June 30, 2022, and ending before September 6,
3.22 2022, as estimated absent the requirements under section 1; less

3.23 (2) the total from the amount determined for transfer under subdivision 1.

3.24 **EFFECTIVE DATE.** This section is effective the day following final enactment.