

CHAPTER 296

GASOLINE, GASOLINE SUBSTITUTES

296.02 Gasoline, excise tax.
 296.05 Specifications of petroleum products.

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296.02 GASOLINE, EXCISE TAX.

Subdivision 1. **Tax imposed for motor vehicle use.** There is hereby imposed an excise tax of 13 cents per gallon on all gasoline used in producing and generating power for propelling motor vehicles used on the public highways of this state. This tax shall be payable at the times, in the manner, and by persons specified in this chapter.

(a) Notwithstanding any other provision of law to the contrary, the tax imposed on special fuel sold by a qualified service station shall not exceed, or the tax on gasoline delivered to a qualified service station shall be reduced to, a rate not more than 3 cents per gallon above the state tax rate imposed on such products sold by a service station in a contiguous state located within the distance indicated in clause (b).

(b) A "qualifying service station" means a service station located within 7.5 miles, measured by the shortest route by public road, from a service station selling like product in the contiguous state.

(c) A qualified service station shall be allowed a credit by the supplier or distributor, or both; for the amount of reduction computed in accordance with clause (a).

A qualified service station, before receiving the credit, shall be registered with the commissioner of revenue.

[For text of subs 1a to 7, see M.S.1980]

History: 1981 c 363 s 46

296.05 SPECIFICATIONS OF PETROLEUM PRODUCTS.

[For text of subs 1 to 6, see M.S.1980]

Subd. 7. **Sales of certain petroleum products on gross volume basis.** The sale of gasoline, number one and number two diesel oils and number one and number two fuel oils and kerosene from a supplier's terminal rack through retail on any other basis than gross volume is prohibited.

History: 1981 c 197 s 1

296.12 SPECIAL FUELS.

[For text of subs 1 and 2, see M.S.1980]

Subd. 3. **Collection, reporting and payment of tax.** Distributors shall pay the special fuel excise tax on all combustible gases and liquid petroleum products or substitutes therefor, except gasoline, delivered into storage tanks at retail service stations operated by them.

Distributors and special fuel dealers may, subject to the approval of the commissioner, elect to pay to the commissioner the special fuel excise tax on all special fuel delivered or sold into the supply tank of an aircraft or a licensed motor vehicle. Under this option an invoice must be issued at the time of each delivery

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showing the name and address of the purchaser, date of sale, number of gallons, price per gallon and total amount of sale. A separate sales ticket book shall be maintained for special fuel sales.

Bulk purchasers shall report and pay the excise tax on all special fuel purchased by them for storage, to the commissioner.

Any person delivering special fuel on which the excise tax has not previously been paid, into the supply tank of an aircraft or a licensed motor vehicle shall report such delivery and pay the excise tax on the special fuel so delivered, to the commissioner.

Subd. 4. Monthly reports; shrinkage allowance. On or before the 23rd day of each month, the persons subject to the provisions of this section shall file in the office of the commissioner at St. Paul, Minnesota, a report in the following manner:

(1) Distributors and special fuel dealers shall report the total number of gallons delivered to them during the preceding calendar month and shall pay the special fuel excise tax due thereon to the commissioner. Credit for the excise tax due or previously paid on special fuel used by the distributor or special fuel dealer for heating his place of business, or special fuel sold for any purpose other than use in licensed motor vehicles and evidenced by an invoice issued at time of sale, may be allowed in computing the tax liability. The invoice must show the true and correct name and address of the purchaser, and the purchaser's signature. The report shall contain such other information as the commissioner may require.

(2) Distributors and special fuel dealers who have elected to pay the special fuel excise tax on all special fuel delivered into the supply tank of an aircraft or licensed motor vehicle as provided in subdivision 3, shall report the total number of gallons delivered into the supply tank of an aircraft or licensed motor vehicle during the preceding calendar month and shall pay the special fuel excise tax due thereon to the commissioner.

(3) Bulk purchasers shall report and pay the special fuel excise tax on all special fuel purchased by them for storage, during the preceding calendar month. In such cases as the commissioner may permit, credit for the excise tax due or previously paid on special fuel not used in aircraft or licensed motor vehicles, may be allowed in computing tax liability. The report shall contain such other information as the commissioner may require.

(4) In computing the special fuel excise tax due under clauses (1), (2), and (3), a deduction of one percent of the quantity of special fuel on which tax is due shall be made for evaporation and loss.

Subd. 5. Sales tickets. A sales ticket shall be issued for each delivery of special fuel to a bulk purchaser. A sales ticket shall also be issued for each delivery into the supply tank of an aircraft or a licensed motor vehicle, if so requested by the purchaser. The person who delivers the special fuel shall issue the sales ticket and shall show thereon the name and address of the purchaser, date of sale, number of gallons, price per gallon, and total amount of sale.

[For text of subs 6 to 10, see M.S.1980]

Subd. 11. Qualified bulk purchasers. Notwithstanding any other provision of law to the contrary, the commissioner of revenue may allow any bulk purchaser who receives special fuel in bulk storage for subsequent delivery into the supply tank of passenger automobiles or other licensed vehicles operated by him or her to purchase bulk special fuel on a tax paid basis from any consenting supplier licensed as a distributor or special fuel dealer under sections 296.06 or 296.12.

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Bulk purchasers qualifying under this provision must become registered in a manner approved by the commissioner but shall be exempt from the bulk purchaser license requirements. Every licensed distributor or special fuel dealer who sells or delivers special fuel on a tax paid basis to persons registered under this provision must report on or before the 23rd day of each month sales made during the preceding calendar month and shall pay the special fuel excise tax due thereon to the commissioner. The report shall contain information as the commissioner may require.

History: 1981 c 164 s 3-6