

CHAPTER 296

MOTOR FUELS

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296.01 DEFINITIONS.

[For text of subs 1 to 3, see M.S.1994]

Subd. 5. **Alternative fuel vehicle.** "Alternative fuel vehicle" means a dedicated, flexible, or dual-fuel vehicle operated primarily on alternative transportation fuel.

[For text of subs 6 to 11, see M.S.1994]

Subd. 11a. **Compressed natural gas.** "Compressed natural gas" or CNG means natural gas, primarily methane, condensed under high pressure and stored in specially designed storage tanks at between 2,000 and 3,600 pounds per square inch. For purposes of this chapter, the energy content of CNG will be considered to be 1,000 BTUs per cubic foot.

[For text of subs 12 to 15b, see M.S.1994]

Subd. 15c. **E85.** "E85" means a petroleum product that is a blend of agriculturally derived denatured ethanol and gasoline that typically contains 85 percent ethanol by volume, but at a minimum must contain at least 60 percent ethanol by volume. For the purposes of this chapter, the energy content of E85 will be considered to be 82,000 BTUs per gallon.

[For text of subs 16 to 23, see M.S.1994]

Subd. 23a. **Liquefied natural gas.** "Liquefied natural gas" or LNG means natural gas, primarily methane, which has been condensed through a cryogenic cooling process and is stored in special pressurized and insulated storage tanks. For purposes of this chapter, the energy content of LNG will be considered to be 69,000 BTUs per gallon.

Subd. 23b. **Liquefied petroleum gas.** "Liquefied petroleum gas" or LPG or propane means a product made of short hydrocarbon chains and containing primarily propane and butane that is stored in specialized tanks at moderate pressure. For purposes of this chapter, the energy content of LPG or propane will be considered to be 86,000 BTUs per gallon.

[For text of subs 24 and 24a, see M.S.1994]

Subd. 24b. **M85.** "M85" means a petroleum product that is a liquid fuel blend of methanol and gasoline that contains at least 85 percent methanol by volume. For the purposes of this chapter, the energy content of M85 will be considered to be 65,000 BTUs per gallon.

[For text of subs 25 to 29, see M.S.1994]

Subd. 30. **Petroleum products.** "Petroleum products" means all of the products defined in subdivisions 2, 7, 8, 10, 13, 14, 15c, 17 to 22, and 24b.

[For text of subs 31 to 33a, see M.S.1994]

Subd. 34. **Special fuel.** "Special fuel" means (1) all combustible gases and liquid petroleum products or substitutes therefor including undyed diesel fuel, except gasoline, gasoline blended with ethanol, and agricultural alcohol gasoline which are delivered into the supply tank of a licensed motor vehicle or into storage tanks maintained by an owner or operator of a licensed motor vehicle as a source of supply for such vehicle; (2) all combustible gases and

liquid petroleum products or substitutes therefor, except gasoline, gasoline blended with ethanol, and agricultural alcohol gasoline, when delivered to a licensed special fuel dealer or to the retail service station storage of a distributor who has elected to pay the special fuel excise tax as provided in section 296.12, subdivision 3; (3) all combustible gases and liquid petroleum products or substitutes therefor, except gasoline, which are used as aviation fuel; or (4) dyed fuel that is being used illegally in a licensed motor vehicle.

[For text of subs 35 to 38, see M.S.1994]

History: 1995 c 264 art 2 s 7-14; art 19 s 6

296.02 GASOLINE, EXCISE TAX.

Subdivision 1. **Tax imposed; exception for qualified service station.** There is imposed an excise tax on gasoline, gasoline blended with ethanol, and agricultural alcohol gasoline, used in producing and generating power for propelling motor vehicles used on the public highways of this state. For purposes of this section, gasoline is defined in section 296.01, subdivisions 10, 15b, 18, 19, 20, and 24a. This tax is payable at the times, in the manner, and by persons specified in this chapter. The tax is payable at the rate specified in subdivision 1b, subject to the exceptions and reductions specified in this section.

(a) Notwithstanding any other provision of law to the contrary, the tax imposed on special fuel sold by a qualified service station may not exceed, or the tax on gasoline delivered to a qualified service station must be reduced to, a rate not more than three 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.

Subd. 1a. **Transit systems and alternative fuels exempt.** The provisions of subdivision 1 do not apply to gasoline purchased by a transit system or transit provider receiving financial assistance or reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384.

Subd. 1b. **Rates imposed.** The gasoline excise tax is imposed at the following rates:

- (1) E85 is taxed at the rate of 14.2 cents per gallon;
- (2) M85 is taxed at the rate of 11.4 cents per gallon; and
- (3) all other gasoline is taxed at the rate of 20 cents per gallon.

[For text of subs 2 to 6, see M.S.1994]

Subd. 7. [Repealed, 1995 c 220 s 141]

Subd. 7a. **Tax credit for agricultural alcohol gasoline.** Until October 1, 1997, a distributor shall be allowed a credit on each gallon of denatured ethanol commercially blended with gasoline or blended in a tank truck with gasoline on which the tax imposed by subdivision 1 is due and payable. Denatured ethanol is defined in section 296.01, subdivision 13. The amount of the credit for every gallon of denatured ethanol blended with gasoline to produce agricultural alcohol gasoline is:

- (1) until October 1, 1995, 15 cents;
- (2) until October 1, 1996, eight cents; and
- (3) until October 1, 1997, five cents.

The credit allowed a distributor must not exceed the total tax liability under subdivision 1. The tax credit received by a distributor on denatured ethanol blended with motor fuels shall be passed on to the retailer.

[For text of subd 8, see M.S.1994]

History: 1995 c 220 s 117; 1995 c 264 art 2 s 15-17

296.025 SPECIAL FUEL, EXCISE TAX.

Subdivision 1. **Tax imposed.** There is hereby imposed an excise tax on all special fuel at the rates specified in subdivision 1b. For undyed diesel fuel, the tax is imposed on the first distributor who received the product in Minnesota. For dyed fuel being used illegally in a licensed motor vehicle, the tax is imposed on the owner or operator of the motor vehicle, or in some instances, on the dealer who supplied the fuel. For dyed fuel used in a motor vehicle but subject to a federal exemption, although no federal tax may be imposed, the fuel is subject to the state tax. For other fuels, including jet fuel, propane, and compressed natural gas, the tax is imposed on the distributor, special fuel dealer, or bulk purchaser. This tax is payable at the time and in the manner specified in this chapter. For purposes of this section, "owner or operator" means the operation of licensed motor vehicles, whether loaded or empty, whether for compensation or not for compensation, and whether owned by or leased to the motor carrier who operates them or causes them to be operated.

Subd. 1a. **Transit systems and alternative fuels exempt.** The provisions of subdivision 1 do not apply to special fuel purchased by a transit system or transit provider receiving financial assistance or reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384.

Subd. 1b. **Tax rates.** The special fuel excise tax is imposed at the following rates:

- (1) Liquefied petroleum gas or propane is taxed at the rate of 15 cents per gallon.
- (2) Liquefied natural gas is taxed at the rate of 12 cents per gallon.
- (3) Compressed natural gas is taxed at the rate of \$1.739 per thousand cubic feet; or 20 cents per gasoline equivalent, as defined by the National Conference on Weights and Measures, which is 5.66 pounds of natural gas.
- (4) All other special fuel is taxed at the same rate as the gasoline excise tax.

[For text of subs 2 to 7, see M.S.1994]

History: 1995 c 264 art 2 s 18-20; art 19 s 7

296.0261 PERMIT FOR ALTERNATE FUEL VEHICLES.

Subdivision 1. [Repealed, 1995 c 264 art 2 s 43]

Subd. 2. [Repealed, 1995 c 264 art 2 s 43]

Subd. 3. [Repealed, 1995 c 264 art 2 s 43]

Subd. 4. [Repealed, 1995 c 264 art 2 s 43]

Subd. 5. [Repealed, 1995 c 264 art 2 s 43]

Subd. 6. [Repealed, 1995 c 264 art 2 s 43]

Subd. 7. [Repealed, 1995 c 264 art 2 s 43]

Subd. 8. [Repealed, 1995 c 264 art 2 s 43]

Subd. 9. [Repealed, 1995 c 264 art 2 s 43]

Subd. 10. **Credit; refunds.** (a) A purchaser of an alternative fuel vehicle permit under subdivisions 1 to 9, prior to July 1, 1995, shall receive a credit for the unused portion of the permit fee. The amount of the credit shall be equal to the original permit fee and prorated to the number of months from July 1, 1995, until the expiration date of the permit. The credit shall reduce the amount of the vehicle's annual motor vehicle registration tax as calculated under section 168.013. The credit shall be applied to the first motor vehicle registration tax payable after July 1, 1995.

(b) If the amount of the credit calculated under paragraph (a) exceeds the amount of motor vehicle registration tax due, the registrar shall pay to the vehicle owner a cash refund equal to the difference between the motor vehicle registration tax and the credit due. The amount necessary to pay the refunds under this paragraph is appropriated for fiscal year 1996 to the commissioner of public safety from the highway user tax distribution fund. The appropriation is available until the refunds have been paid.

History: 1995 c 264 art 2 s 21

296.041 ELECTRONICALLY FILED RETURNS OR REPORTS; SIGNATURES.

For purposes of this chapter, the name of the taxpayer, the name of the taxpayer's authorized agent, or the taxpayer's identification number constitutes a signature when transmitted

as part of the information on returns or reports filed by electronic means by the taxpayer or at the taxpayer's direction. "Electronic means" includes, but is not limited to, the use of a touch-tone telephone to transmit return or report information in a manner prescribed by the commissioner.

History: 1995 c 264 art 14 s 3

296.12 SPECIAL FUELS; LICENSES, TAX ADMINISTRATION.

[For text of subs 1 and 2, see M.S.1994]

Subd. 3. Tax collection, reporting and payment. (a) For undyed diesel fuel, the tax is imposed on the distributor who receives the fuel.

(b) For all other special fuels, the tax is imposed on the distributor, bulk purchaser, or special fuel dealer. The tax may be paid upon receipt or sale as follows:

(1) 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 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; and

(2) Bulk purchasers shall report and pay the excise tax on all special fuel purchased by them for storage, to the commissioner in the form and manner prescribed by the commissioner.

(c) 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 a report in the form and manner prescribed by the commissioner. Reports shall contain information as follows:

(1) Distributors of undyed diesel fuel must file a monthly tax return with the department listing all purchases or receipts of undyed diesel fuel. Distributors may be allowed to take a credit or credits under section 296.141, subdivision 4.

(2) Distributors and dealers of special fuel other than undyed diesel fuel 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. 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.

(3) Distributors and dealers of special fuel other than undyed diesel fuel 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.

(4) Bulk purchasers shall report and pay the special fuel excise tax on all special fuel except undyed diesel 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.

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

(6) Each report shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.

[For text of subs 5 to 10, see M.S.1994]

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 spe-

cial fuel other than clear diesel fuel in bulk storage for subsequent delivery into the supply tank of licensed motor vehicles or aircraft operated by the bulk purchaser to purchase bulk special fuel on a tax paid basis from any consenting supplier licensed as a distributor or special fuel dealer under this section or section 296.06. 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 other than clear diesel 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 be in the form and manner prescribed by the commissioner, and shall contain information as the commissioner may require.

History: 1995 c 186 s 119; 1995 c 264 art 14 s 4-6; art 19 s 8,9

296.141 GASOLINE TAX; SPECIAL FUEL TAX; PETROLEUM TANK RELEASE CLEANUP FEE; AND INSPECTION FEE MONTHLY REPORTS.

Subdivision 1. Payment of gasoline tax and petroleum tank release cleanup fee; shrinkage allowance. On or before the 23rd day of each month, every person who is required to pay a gasoline tax shall file with the commissioner a report, in the form and manner approved by the commissioner, showing the number of gallons of petroleum products received by the reporter during the preceding calendar month, and other information the commissioner may require. The number of gallons of gasoline must be reported in United States standard liquid gallons (231 cubic inches), except that the commissioner may upon written application and for cause shown permit the distributor to report the number of gallons of gasoline as corrected to a 60 degree Fahrenheit temperature. If the application is granted, all gasoline covered in the application and allowed by the commissioner must continue to be reported by the distributor on the adjusted basis for a period of one year from the date of the granting of the application. The number of gallons of petroleum products other than gasoline must be reported as originally invoiced.

Each report must show separately the number of gallons of aviation gasoline received by the reporter during such calendar month.

Each report must include the amount of gasoline tax on gasoline received by the reporter during the preceding month; provided that in computing the tax a deduction of three percent of the quantity of gasoline received by a distributor shall be made for evaporation and loss; provided further that at the time of reporting, the distributor shall submit satisfactory evidence that one-third of the three percent deduction has been credited or paid to dealers on quantities sold to them. A written report is deemed to have been filed as required in this subdivision if postmarked on or before the 23rd day of the month in which payable.

Subd. 2. Inspection fees. Persons required to pay an inspection fee under section 239.101 must file a report. Each report must include the amount of inspection fees due on petroleum products. Reports must be filed with the commissioner in the form and manner the commissioner prescribes. A written report is considered filed as required if postmarked on or before the 23rd day of the month in which payable.

[For text of subs 3 to 5, see M.S.1994]

Subd. 6. On-farm bulk storage of gasoline or special fuel; ethyl alcohol for personal use. Notwithstanding the provisions of this section, the producer of ethyl alcohol which is produced for personal use and not for sale in the usual course of business and a farmer who uses gasoline or any special fuel on which a tax has not been paid shall report and pay the tax on all ethyl alcohol, gasoline, or special fuel delivered into the supply tank of a licensed motor vehicle during the preceding calendar year. The tax must be reported in the form and manner prescribed by the commissioner and paid together with any refund claim filed by the taxpayer under section 296.18. If no refund claim is filed, the tax must be reported and paid annually by March 15 or more frequently, as the commissioner may prescribe. Any producer qualifying under this subdivision is exempt from the licensing requirements contained in section 296.06, subdivision 1.

[For text of subd 7, see M.S.1994]

History: 1995 c 264 art 14 s 7-9

296.16 USE IN VARIOUS MOTOR VEHICLES.

[For text of subs 1 and 1a, see M.S.1994]

Subd. 2. **Seller may collect tax.** A person who directly or indirectly pays either of the taxes provided for by sections 296.02 and 296.025 and does not in fact use the gasoline or special fuel in motor vehicles in this state or receive, store, or withdraw it from storage to be used personally for the purpose of producing or generating power for propelling aircraft, but sells or otherwise disposes of the same, except as provided in section 296.141, subdivision 4, is hereby authorized to collect (from the person to whom the gasoline or special fuel is so sold or disposed of) the tax so paid, and is hereby required, upon request, to make, sign, and deliver to such person an invoice of such sale or disposition. The sums collected must be held as a special fund in trust for the state of Minnesota.

History: 1995 c 186 s 119

296.17 FUEL UNREPORTED OR USED IN OTHER STATES; ROAD TAX; MOTOR CARRIERS; RECIPROCITY.

Subdivision 1. **Unreported fuel.** It shall be the duty of every distributor, dealer, and person who sells or uses gasoline manufactured, produced, received, or stored by the distributor, dealer, or person, and of every person using gasoline in motor vehicles or special fuel in licensed motor vehicles, if the same has not been reported or if the tax on account thereof has not been paid to the commissioner, to report to the commissioner in the form and manner prescribed by the commissioner, the quantity of such gasoline so sold or used or such special fuel used, and such person shall become liable for the payment of the tax. All provisions of sections 296.01 to 296.421 relating to the calculation, collection and payment of the tax shall be applicable to any such person, dealer or distributor.

Subd. 3. **Refunds on fuel used in other states.** Every person regularly or habitually operating motor vehicles upon the public highways of any other state or states and using in said motor vehicles gasoline or special fuel purchased or obtained in this state, shall be allowed a credit or refund equal to the tax on said gasoline or special fuel paid to this state on the gasoline or special fuel actually used in the other state or states. No credit or refund shall be allowed under this subdivision for taxes paid to any state which imposes a tax upon gasoline or special fuel purchased or obtained in this state and used on the highways of such other state, and which does not allow a similar credit or refund for the tax paid to this state on gasoline or special fuel purchased or acquired in such other state and used on the highways of this state. Every person claiming a credit or refund under this subdivision shall file a claim in the form and manner prescribed by the commissioner or take the credit on a subsequent tax return within one year of the last day of the month following the end of the quarter when the overpayment occurred.

Subd. 5. **Unreported aviation gasoline.** The provisions of subdivision 1 do not apply to aviation gasoline. It shall be the duty of every distributor, dealer, and person who receives, sells, stores, or withdraws from storage in this state aviation gasoline manufactured, produced, received, or stored by the distributor, dealer, or person, if the same has not been reported or if a tax provided for in section 296.02 on account thereof, has not been paid to the commissioner, to report to the commissioner, in the form and manner prescribed by the commissioner, the quantity of such gasoline so received, sold, stored, or withdrawn from storage, and such person shall become liable for the payment of the tax.

All provisions of sections 296.01 to 296.421 relating to the calculation, collections, and payment of the tax shall be applicable to any such person, dealer, or distributor.

[For text of subs 6 to 10, see M.S.1994]

Subd. 11. **Motor carrier reports.** Every motor carrier subject to the road tax shall, on or before the last day of April, July, October, and January, file with the commissioner in the

form and manner prescribed by the commissioner, reports of operations during the previous three months, and such other reports from time to time as the commissioner may deem necessary. The commissioner by rule may exempt from the quarterly reporting requirements of this section those motor carriers whose mileage is all or substantially all and those motor carriers whose mileage is minimal within this state, or states with which Minnesota has reciprocity and require in such instances an annual report reflecting the operations of the carrier during the previous year along with payment of any taxes due.

Each report shall contain a confession of judgment for the amount of the tax shown due thereon to the extent not timely paid.

[For text of subds 14 to 22, see M.S.1994]

History: 1995 c 264 art 14 s 10-13

296.18 REFUNDS.

Subdivision 1. Claim; fuel used in other vehicles. Any person who shall buy and use gasoline for a qualifying purpose other than use in motor vehicles, snowmobiles except as provided in clause (2), or motorboats, or special fuel for a qualifying purpose other than use in licensed motor vehicles, and who shall have paid the Minnesota excise tax directly or indirectly through the amount of the tax being included in the price of the gasoline or special fuel, or otherwise, shall be reimbursed and repaid the amount of the tax paid upon filing with the commissioner a claim in the form and manner prescribed by the commissioner, and containing the information the commissioner shall require. By signing any such claim which is false or fraudulent, the applicant shall be subject to the penalties provided in this section for knowingly making a false claim. The claim shall set forth the total amount of the gasoline so purchased and used by the applicant other than in motor vehicles, or special fuel so purchased and used by the applicant other than in licensed motor vehicles, and shall state when and for what purpose it was used. When a claim contains an error in computation or preparation, the commissioner is authorized to adjust the claim in accordance with the evidence shown on the claim or other information available to the commissioner. The commissioner, on being satisfied that the claimant is entitled to the payments, shall approve the claim and transmit it to the commissioner of finance. No repayment shall be made unless the claim and invoice shall be filed with the commissioner within one year from the date of the purchase. The postmark on the envelope in which a written claim is mailed shall determine its date of filing. The words "gasoline" or "special fuel" as used in this subdivision do not include aviation gasoline or special fuel for aircraft. Gasoline or special fuel bought and used for a "qualifying purpose" means:

(1) Gasoline or special fuel used in carrying on a trade or business, used on a farm situated in Minnesota, and used for a farming purpose. "Farm" and "farming purpose" have the meanings given them in section 6420(c)(2), (3), and (4) of the Internal Revenue Code of 1986, as amended through December 31, 1988.

(2) Gasoline or special fuel used for off-highway business use. "Off-highway business use" means any use by a person in that person's trade, business, or activity for the production of income. "Off-highway business use" includes use of a passenger snowmobile off the public highways as part of the operations of a resort as defined in section 157.15. "Off-highway business use" does not include use as a fuel in a motor vehicle which, at the time of use, is registered or is required to be registered for highway use under the laws of any state or foreign country.

(3) Gasoline or special fuel placed in the fuel tanks of new motor vehicles, manufactured in Minnesota, and shipped by interstate carrier to destinations in other states or foreign countries.

Subd. 2. Failure to use or sell for intended purpose; reports required. (1) Any person who shall buy aviation gasoline or special fuel for aircraft use and who shall have paid the excise taxes due thereon directly or indirectly through the amount of the tax being included in the price thereof, or otherwise, and shall use said gasoline or special fuel in motor vehicles or shall knowingly sell it to any person for use in motor vehicles shall, on or before the twenty-third day of the month following that in which such gasoline or special fuel was so used or

sold, report the fact of such use or sale to the commissioner in such form and manner as the commissioner may prescribe.

(2) Any person who shall buy gasoline other than aviation gasoline and who shall have paid the motor vehicle gasoline excise tax directly or indirectly through the amount of the tax being included in the price of the gasoline, or otherwise, who shall knowingly sell such gasoline to any person to be used for the purpose of producing or generating power for propelling aircraft, or who shall receive, store, or withdraw from storage such gasoline to be used for that purpose, shall, on or before the 23rd day of the month following that in which such gasoline was so sold, stored, or withdrawn from storage, report the fact of such sale, storage, or withdrawal from storage to the commissioner in such form and manner as the commissioner may prescribe.

(3) Any person who shall buy aviation gasoline or special fuel for aircraft use and who shall have paid the excise taxes directly or indirectly through the amount of the tax being included in the price thereof, or otherwise, who shall not use it in motor vehicles or receive, sell, store, or withdraw it from storage for the purpose of producing or generating power for propelling aircraft, shall be reimbursed and repaid the amount of the tax paid upon filing with the commissioner a claim in such form and manner as the commissioner may prescribe. By filing a claim which is false or fraudulent, the applicant shall be subject to the penalties provided in section 296.25 for knowingly or willfully making a false claim. The claim shall set forth the total amount of the aviation gasoline or special fuel for aircraft use so purchased and used by the applicant, and shall state when and for what purpose it was used. When a claim contains an error in computation or preparation, the commissioner is authorized to adjust the claim in accordance with the evidence shown on the claim or other information available to the commissioner. The commissioner, on being satisfied that the claimant is entitled to payment, shall approve the claim and transmit it to the commissioner of finance. No repayment shall be made unless the claim and invoice shall be filed with the commissioner within one year from the date of the purchase. The postmark on the envelope in which a written claim is mailed shall determine its date of filing.

[For text of subds 3 and 4, see M.S.1994]

Subd. 5. **Graduated reduction-basis refund claim, requirements.** Any distributor or other person claiming to be entitled to any refund provided for in subdivision 4 shall receive such refund upon filing with the commissioner a verified claim in such form and manner, and, containing such information as the commissioner shall require. The claim shall set forth, among other things, the total number of gallons of aviation gasoline or special fuel for aircraft use upon which the claimant has directly or indirectly paid the excise tax provided for in section 296.02, subdivision 2, or 296.025, subdivision 2, during the calendar year, which has been received, stored, or withdrawn from storage by the claimant in this state and not sold or otherwise disposed of to others. The commissioner, on being satisfied that the claimant is entitled to the refund, shall approve the claim and transmit it to the commissioner of finance, and it shall be paid as provided for in section 296.421, subdivision 2. All claims for refunds under this subdivision shall be made on or before April 15 following the end of the calendar year for which the refund is claimed. Claims for aviation gasoline and special fuel tax refund filed within 15 days beyond the due date prescribed by this subdivision shall be honored by the commissioner less a penalty of 25 percent of the amount of the approved claim.

[For text of subds 6 and 8, see M.S.1994]

History: 1995 c 207 art 9 s 60; 1995 c 264 art 14 s 14-16

296.25 CRIMINAL PENALTIES.

Subdivision 1. **Penalties imposed.** (a) A person who fails to comply with a provision of sections 296.01 to 296.421, or who knowingly provides false information, including, but not limited to, false odometer readings, or who knowingly makes a false statement in a report, record, claim, or sales ticket required by section 296.12; 296.141; 296.17, subdivisions 5, or 7 to 22; 296.18, subdivision 2; or 296.21, is guilty of a gross misdemeanor.

(b) A person who willfully attempts in any manner to evade or defeat any tax imposed by sections 296.01 to 296.421, including, but not limited to, making and subscribing any

false statement in any report, record, claim, or sales ticket required by sections 296.12; 296.141; 296.17, subdivisions 5, or 7 to 22; 296.18, subdivision 2; and 296.21; or making a false claim for a refund under section 296.18, subdivision 4, is guilty of a felony.

(c) It is a misdemeanor for a person to operate, or cause to be operated, a licensed motor vehicle on the public highways of this state on special fuel on which the excise tax provided by this chapter has not been paid or the liability therefore assumed by another person licensed under this chapter. A person who uses gasoline, delivered into an on-farm bulk storage tank and on which no tax has been collected, for propelling a motor vehicle on the public highways of this state is also guilty of a misdemeanor.

(d) An officer or employee of the state of Minnesota charged with the enforcement of a provision of sections 296.01 to 296.421 who is employed by or who engages in business as a distributor or dealer in petroleum products is guilty of a misdemeanor.

(e) The authorization in this chapter for the collection of the excise taxes by persons other than the commissioner for and in behalf of the state of Minnesota establishes a fiduciary relationship, for the violation of which, in failure to make payment when due and payable, the person so authorized to collect these excise taxes shall be deemed guilty of a violation of this chapter and of section 609.54, and punished accordingly.

(f) A minimum fine of \$200 shall be imposed on a person who fails to obtain a license or trip permit required under section 296.17, subdivisions 10 and 17.

[For text of subds 1a and 2, see M.S.1994]

History: 1995 c 186 s 119