

296A.07 GASOLINE TAX.

Subdivision 1. **Tax imposed.** 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. The tax is imposed on the first licensed distributor who received the product in Minnesota. For purposes of this section, gasoline is defined in section 296A.01, subdivisions 10, 18, 20, 23, 24, 25, 32, and 34. The tax is payable at the time and in the form and manner prescribed by the commissioner. The tax is payable at the rates specified in subdivision 3, subject to the exceptions and reductions specified in section 296A.17.

Subd. 2. **Tax imposed for marine use.** Subject to the provisions of section 296A.16, subdivision 2, there is imposed an excise tax, at the same rate per gallon as the gasoline excise tax, on all marine gasoline received, sold, stored, or withdrawn from storage in this state. This tax is payable at the times, in the manner, and by persons specified in this chapter.

Subd. 3. **Rate of tax.** The gasoline excise tax is imposed at the following rates:

- (1) E85 is taxed at the rate of 17.75 cents per gallon;
- (2) M85 is taxed at the rate of 14.25 cents per gallon; and
- (3) all other gasoline is taxed at the rate of 25 cents per gallon.

Subd. 4. **Exemptions.** The provisions of subdivision 1 do not apply to gasoline or denatured ethanol purchased by:

- (1) a transit system or transit provider receiving financial assistance or reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384;
- (2) providers of transportation to recipients of medical assistance home and community-based services waivers enrolled in day programs, including adult day care, family adult day care, day treatment and habilitation, prevocational services, and structured day services;
- (3) an ambulance service licensed under chapter 144E;
- (4) providers of medical or dental services by a federally qualified health center, as defined under title 19 of the Social Security Act, as amended by Section 4161 of the Omnibus Budget Reconciliation Act of 1990, with a motor vehicle used exclusively as a mobile medical unit; or
- (5) a licensed distributor to be delivered to a terminal for use in blending.

History: 1998 c 299 s 7; 1Sp2001 c 5 art 13 s 5; 2008 c 152 art 3 s 3; 2008 c 366 art 14 s 5; 2012 c 287 art 3 s 48