

1.1 moves to amend H.F. No. 594 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. Minnesota Statutes 2014, section 296A.01, is amended by adding a
1.4 subdivision to read:

1.5 Subd. 13a. Dealer of gasoline used as a substitute for aviation gasoline. "Dealer
1.6 of gasoline used as a substitute for aviation gasoline" means any person who sells gasoline
1.7 on the premises of an airport as defined under section 360.013, subdivision 39, to be
1.8 dispensed directly into the fuel tank of an aircraft.

1.9 Sec. 2. Minnesota Statutes 2014, section 296A.07, subdivision 4, is amended to read:

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

1.12 (1) a transit system or transit provider receiving financial assistance or
1.13 reimbursement under section 174.24, 256B.0625, subdivision 17, or 473.384;

1.14 (2) providers of transportation to recipients of medical assistance home and
1.15 community-based services waivers enrolled in day programs, including adult day care,
1.16 family adult day care, day treatment and habilitation, prevocational services, and
1.17 structured day services;

1.18 (3) an ambulance service licensed under chapter 144E;

1.19 (4) providers of medical or dental services by a federally qualified health center,
1.20 as defined under title 19 of the Social Security Act, as amended by Section 4161 of the
1.21 Omnibus Budget Reconciliation Act of 1990, with a motor vehicle used exclusively as a
1.22 mobile medical unit; or

1.23 (5) a licensed distributor to be delivered to a terminal for use in blending; or

1.24 (6) a dealer of gasoline used as a substitute for aviation gasoline.

1.25 Sec. 3. Minnesota Statutes 2014, section 296A.09, subdivision 1, is amended to read:

2.1 Subdivision 1. **Gasoline tax imposed.** Subject to any refunds or credits there is
2.2 imposed an excise tax, at the rate of five cents per gallon on all aviation gasoline received,
2.3 sold, stored, or withdrawn from storage in this state and on all gasoline used as a substitute
2.4 for aviation gasoline. Aviation gasoline is defined in section 296A.01, subdivision 7.

2.5 Sec. 4. Minnesota Statutes 2014, section 296A.09, subdivision 3, is amended to read:

2.6 Subd. 3. **Exception to tax for aviation use.** The provisions of subdivisions 1 and
2.7 2 do not apply to gasoline, aviation gasoline or special fuel purchased and placed in the
2.8 fuel tanks of an aircraft outside the state, even though the gasoline may be consumed
2.9 within this state.

2.10 Sec. 5. Minnesota Statutes 2014, section 296A.09, subdivision 5, is amended to read:

2.11 Subd. 5. **Tax not on consumption.** The taxes imposed by subdivisions 1 and 2 are
2.12 expressly declared not to be a tax upon consumption of gasoline, aviation gasoline or
2.13 special fuel by an aircraft.

2.14 Sec. 6. Minnesota Statutes 2014, section 296A.09, subdivision 6, is amended to read:

2.15 Subd. 6. **Exemptions.** The provisions of subdivisions 1 and 2 do not apply to
2.16 gasoline used as a substitute for aviation gasoline, aviation gasoline or jet fuel purchased
2.17 by an ambulance service licensed under chapter 144E.

2.18 Sec. 7. Minnesota Statutes 2014, section 296A.15, subdivision 1, is amended to read:

2.19 Subdivision 1. **Monthly gasoline report; shrinkage allowance.** (a) Except
2.20 as provided in paragraph (e), on or before the 23rd day of each month, every person
2.21 who is required to pay a gasoline tax shall file with the commissioner a report, in the
2.22 form and manner prescribed by the commissioner, showing the number of gallons of
2.23 petroleum products received by the reporter during the preceding calendar month, and
2.24 other information the commissioner may require. A written report is deemed to have
2.25 been filed as required in this subdivision if postmarked on or before the 23rd day of the
2.26 month in which the tax is payable.

2.27 (b) The number of gallons of gasoline must be reported in United States standard
2.28 liquid gallons, 231 cubic inches, except that the commissioner may upon written
2.29 application and for cause shown permit the distributor to report the number of gallons of
2.30 gasoline as corrected to a temperature of 60-degrees Fahrenheit. If the application is
2.31 granted, all gasoline covered in the application and allowed by the commissioner must
2.32 continue to be reported by the distributor on the adjusted basis for a period of one year

3.1 from the date of the granting of the application. The number of gallons of petroleum
3.2 products other than gasoline must be reported as originally invoiced. Each report must
3.3 show separately the number of gallons of aviation gasoline received by the reporter during
3.4 each calendar month and the number of gallons of gasoline sold to a dealer of gasoline
3.5 used as a substitute for aviation fuel during each calendar month.

3.6 (c) Each report must also include the amount of gasoline tax on gasoline, and the
3.7 amount of aviation tax on gasoline used as a substitute for aviation gasoline, received by
3.8 the reporter during the preceding month. In computing the tax a deduction of 2.5 percent
3.9 of the quantity of gasoline received by a distributor shall be made for evaporation and loss.
3.10 At the time of reporting, the reporter shall submit satisfactory evidence that one-third of
3.11 the 2.5 percent deduction has been credited or paid to dealers on quantities sold to them.

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

3.14 (e) Under certain circumstances and with the approval of the commissioner,
3.15 taxpayers may be allowed to file reports annually.

3.16 Sec. 8. Minnesota Statutes 2014, section 296A.15, subdivision 4, is amended to read:

3.17 Subd. 4. **Failure to use or sell for intended purpose; report required.** (a) Any
3.18 person who buys gasoline from a dealer of gasoline used as a substitute for aviation
3.19 gasoline, or buys aviation gasoline or special fuel for aircraft use and who has paid the
3.20 excise taxes due directly or indirectly through the amount of the tax being included in the
3.21 price, or otherwise, and uses said gasoline or special fuel in motor vehicles or knowingly
3.22 sells it to any person for use in motor vehicles shall, on or before the 23rd day of the month
3.23 following that in which such gasoline or special fuel was so used or sold, report the fact of
3.24 the use or sale to the commissioner in the form and manner prescribed by the commissioner.

3.25 (b) Any person who buys gasoline other than aviation gasoline and who has paid the
3.26 motor vehicle gasoline excise tax directly or indirectly through the amount of the tax being
3.27 included in the price of the gasoline, or otherwise, who knowingly sells such gasoline to any
3.28 person to be used for the purpose of producing or generating power for propelling aircraft,
3.29 or who receives, stores, or withdraws from storage gasoline to be used for that purpose,
3.30 shall, on or before the 23rd day of the month following that in which such gasoline was so
3.31 sold, stored, or withdrawn from storage, report the fact of the sale, storage, or withdrawal
3.32 from storage to the commissioner in the form and manner prescribed by the commissioner.

3.33 Sec. 9. Minnesota Statutes 2014, section 296A.17, subdivision 1, is amended to read:

4.1 Subdivision 1. **Aviation refund requirements.** Any person claiming to be entitled
4.2 to any refund or credit provided for in subdivision 3 shall receive the refund or credit
4.3 upon filing with the commissioner a claim in such form and manner prescribed by the
4.4 commissioner. The claim shall set forth, among other things, the total number of gallons
4.5 of gasoline used as a substitute for aviation gasoline, aviation gasoline or special fuel
4.6 for aircraft use upon which the claimant has directly or indirectly paid the excise tax
4.7 provided for in this chapter, during the calendar year, which has been received, stored, or
4.8 withdrawn from storage by the claimant in this state and not sold or otherwise disposed of
4.9 to others. All claims for refunds under this subdivision shall be made on or before April
4.10 30 following the end of the calendar year for which the refund is claimed.

4.11 Sec. 10. Minnesota Statutes 2014, section 296A.17, subdivision 2, is amended to read:

4.12 Subd. 2. **Claim for refund; aviation tax.** (a) Any person who buys gasoline used
4.13 as a substitute for aviation gasoline, aviation gasoline or special fuel for aircraft use and
4.14 who has paid the excise taxes directly or indirectly through the amount of the tax being
4.15 included in the price, or otherwise, who does not use it in motor vehicles or receive, sell,
4.16 store, or withdraw it from storage for the purpose of producing or generating power for
4.17 propelling aircraft, shall be reimbursed and repaid the amount of the tax paid upon filing
4.18 with the commissioner a claim in the form and manner prescribed by the commissioner.
4.19 The claim shall state the total amount of the gasoline used as a substitute for aviation
4.20 gasoline, aviation gasoline or special fuel for aircraft use purchased and used by the
4.21 applicant, and shall state when and for what purpose it was used. On being satisfied that
4.22 the claimant is entitled to payment, the commissioner shall approve the claim and transmit
4.23 it to the commissioner of management and budget. The postmark on the envelope in
4.24 which a written claim is mailed determines the date of filing.

4.25 (b) If a claim contains an error in preparation in computation or preparation, the
4.26 commissioner is authorized to adjust the claim in accordance with the evidence shown on
4.27 the claim or other information available to the commissioner.

4.28 (c) An applicant who files a claim that is false or fraudulent, is subject to the
4.29 penalties provided in section 296A.23 for knowingly and willfully making a false claim.

4.30 Sec. 11. Minnesota Statutes 2014, section 296A.17, subdivision 3, is amended to read:

4.31 Subd. 3. **Refund on graduated basis.** Any person who has directly or indirectly
4.32 paid the excise tax on gasoline used as a substitute for aviation gasoline, aviation gasoline
4.33 or special fuel for aircraft use provided for by this chapter and the airflight property tax
4.34 under section 270.072 shall, as to all such gasoline used as a substitute for aviation

5.1 gasoline, aviation gasoline and special fuel received, stored, or withdrawn from storage
5.2 by the person in this state in any calendar year and not sold or otherwise disposed of to
5.3 others, or intended for sale or other disposition to others, on which such tax has been so
5.4 paid, be entitled to the following graduated reductions in such tax for that calendar year, to
5.5 be obtained by means of the following refunds:

5.6 (1) on each gallon of ~~such~~ gasoline used as a substitute for aviation gasoline, aviation
5.7 gasoline or special fuel up to 50,000 gallons, all but five cents per gallon;

5.8 (2) on each gallon of ~~such~~ gasoline used as a substitute for aviation gasoline, aviation
5.9 gasoline or special fuel above 50,000 gallons and not more than 150,000 gallons, all
5.10 but two cents per gallon;

5.11 (3) on each gallon of ~~such~~ gasoline used as a substitute for aviation gasoline, aviation
5.12 gasoline or special fuel above 150,000 gallons and not more than 200,000 gallons, all
5.13 but one cent per gallon;

5.14 (4) on each gallon of ~~such~~ gasoline used as a substitute for aviation gasoline, aviation
5.15 gasoline or special fuel above 200,000, all but one-half cent per gallon.

5.16 Sec. 12. Minnesota Statutes 2014, section 296A.18, subdivision 1, is amended to read:

5.17 Subdivision 1. **Intent; gasoline use.** All gasoline received in this state and all
5.18 gasoline produced in or brought into this state except aviation gasoline, gasoline sold to a
5.19 dealer of gasoline used as a substitute for aviation gasoline, and marine gasoline shall be
5.20 determined to be intended for use in motor vehicles in this state.

5.21 Sec. 13. Minnesota Statutes 2014, section 296A.18, subdivision 8, is amended to read:

5.22 Subd. 8. **Airports.** The revenues derived from the excise taxes on gasoline used
5.23 as a substitute for aviation gasoline, aviation gasoline and on special fuel received, sold,
5.24 stored, or withdrawn from storage as substitutes for aviation gasoline, shall be paid into
5.25 the state treasury and credited to the state airports fund. There is hereby appropriated such
5.26 sums as are needed to carry out the provisions of this subdivision.

5.27 Sec. 14. Minnesota Statutes 2014, section 296A.19, subdivision 1, is amended to read:

5.28 Subdivision 1. **Retention.** All distributors, dealers, special fuel dealers, bulk
5.29 purchasers, dealers of gasoline used as a substitute for aviation gasoline, and all users of
5.30 special fuel shall keep a true and accurate record of all purchases, transfers, sales, and use
5.31 of petroleum products and special fuel, including copies of all sales tickets issued, in a form
5.32 and manner approved by the commissioner, and shall retain all such records for 3-1/2 years.

6.1 Sec. 15. **REPEALER.**

6.2 Minnesota Rules, part 8125.1300, subpart 3, is repealed.

6.3 Sec. 16. **EFFECTIVE DATE.**

6.4 Sections 1 to 14 are effective for sales and purchases made after June 30, 2015.

6.5 Section 15 is effective the day following final enactment."

6.6 Delete the title and insert:

6.7 "A bill for an act
6.8 relating to taxation; petroleum; dedicating revenues from the aviation taxes
6.9 on gasoline used as substitute for aviation gasoline to the state airports fund;
6.10 amending Minnesota Statutes 2014, sections 296A.01, by adding a subdivision;
6.11 296A.07, subdivision 4; 296A.09, subdivisions 1, 3, 5, 6; 296A.15, subdivisions
6.12 1, 4; 296A.17, subdivisions 1, 2, 3; 296A.18, subdivisions 1, 8; 296A.19,
6.13 subdivision 1; repealing Minnesota Rules, part 8125.1300, subpart 3."