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HOUSE BILL 30

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

Roberto "Bobby" J. Gonzales and Timothy M. Keller

FOR THE TRANSPORTATION INFRASTRUCTURE REVENUE SUBCOMMITTEE

AN ACT

RELATING TO TAXATION; CHANGING THE DEFINITION OF "ALTERNATIVE FUEL" IN THE ALTERNATIVE FUEL TAX ACT TO INCLUDE AN ENERGY EQUIVALENCE FORMULA FOR COMPRESSED AND LIQUEFIED NATURAL GAS; ELIMINATING THE OPTION TO PAY THE ALTERNATIVE FUEL EXCISE TAX ON AN ANNUAL BASIS FOR CERTAIN ALTERNATIVE FUELS; AMENDING SECTIONS OF THE ALTERNATIVE FUEL TAX ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-16B-1 NMSA 1978 (being Laws 1995, Chapter 16, Section 1) is amended to read:

"7-16B-1. SHORT TITLE.--~~[Sections 1 through 10 of this act]~~ Chapter 7, Article 16B NMSA 1978 may be cited as the "Alternative Fuel Tax Act"."

SECTION 2. Section 7-16B-3 NMSA 1978 (being Laws 1995, Chapter 16, Section 3, as amended) is amended to read:

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1 "7-16B-3. DEFINITIONS.--As used in the Alternative Fuel
2 Tax Act:

3 A. "alternative fuel" means liquefied petroleum
4 gas, compressed natural gas, liquefied natural gas or a water-
5 phased hydrocarbon fuel emulsion consisting of a hydrocarbon
6 base and water in an amount not less than twenty percent by
7 volume of the total water-phased fuel emulsion, all of which
8 may be used for the generation of power to propel a motor
9 vehicle on the highways;

10 B. "alternative fuel user" means any user who is a
11 registrant, owner or operator of a motor vehicle propelled by
12 alternative fuel;

13 C. "department" means the taxation and revenue
14 department, the secretary of taxation and revenue or any
15 employee of the department exercising authority lawfully
16 delegated to that employee by the secretary;

17 D. "distributor" means any person who delivers or
18 dispenses alternative fuel into the supply tank of a motor
19 vehicle;

20 E. "gallon" means:
21 (1) for liquid alternative fuel, the quantity
22 of liquid necessary to fill a standard United States gallon
23 liquid measure, which is approximately 3.785 liters [~~for liquid~~
24 ~~alternative fuel~~]; provided [~~however~~] that:

25 (a) in the case of a water-phased

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1 hydrocarbon fuel emulsion, a gallon shall be measured only with
2 respect to the hydrocarbon base portion of the emulsion and not
3 to the water base portion [~~or~~]; and

4 (b) in the case of liquefied natural
5 gas, a gallon shall be 6.06 pounds of liquefied natural gas; or

6 (2) for nonliquid alternative fuel, one
7 hundred fourteen cubic feet [~~for nonliquid alternative fuel~~];
8 provided that in the case of compressed natural gas, a gallon
9 shall be 5.66 pounds or 126.67 cubic feet of compressed natural
10 gas;

11 F. "gross vehicle weight" means the weight of a
12 motor vehicle or a combination motor vehicle without load, plus
13 the weight of any load on the motor vehicle;

14 G. "highway" means every road, highway,
15 thoroughfare, street or way, including toll roads, generally
16 open to the use of the public as a matter of right for the
17 purpose of motor vehicle travel and notwithstanding that the
18 same may be temporarily closed for the purpose of construction,
19 reconstruction, maintenance or repair;

20 H. "motor vehicle" means any self-propelled vehicle
21 or device subject to registration under Section 66-3-1 NMSA
22 1978 that is used or may be used on the public highways in
23 whole or in part for the purpose of transporting persons or
24 property and includes any connected trailer or semitrailer;

25 I. "person" means an individual or any other legal

1 entity; "person" also means, to the extent permitted by law,
2 any federal, state or other government or any department,
3 agency or instrumentality of the state, county, municipality or
4 any political subdivision thereof;

5 J. "registrant" means any person who has registered
6 a motor vehicle pursuant to the laws of this state or of
7 another state;

8 K. "sale" means any delivery, exchange, gift or
9 other disposition;

10 L. "secretary" means the secretary of taxation and
11 revenue or the secretary's delegate;

12 M. "supply tank" means any tank or other receptacle
13 in which or by which fuel may be carried and supplied to the
14 fuel-furnishing device or apparatus of the propulsion mechanism
15 of a motor vehicle when the tank or receptacle either contains
16 alternative fuel or alternative fuel is delivered into it;

17 N. "use" means:

18 (1) the receipt or placing of alternative fuel
19 by an alternative fuel user into the fuel supply tank of any
20 motor vehicle registered, owned or operated by the alternative
21 fuel user;

22 (2) the consumption by an alternative fuel
23 user of alternative fuel in the propulsion of a motor vehicle
24 on the highways of this state and any activity ancillary to
25 that propulsion; or

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1 (3) the importation of alternative fuel in the
2 fuel supply tank of any motor vehicle as fuel for the
3 propulsion of the motor vehicle on the highways;

4 O. "user" means any person other than the United
5 States government or any of its agencies or instrumentalities;
6 the state of New Mexico or any of its political subdivisions,
7 agencies or instrumentalities; or an Indian nation, tribe or
8 pueblo or any agency or instrumentality of an Indian nation,
9 tribe or pueblo who uses alternative fuel to propel a motor
10 vehicle on the highways; and

11 P. the definitions of "alternative fuel user" and
12 "distributor" shall be construed so that a person may at the
13 same time be an alternative fuel user and a distributor."

14 SECTION 3. Section 7-16B-4 NMSA 1978 (being Laws 1995,
15 Chapter 16, Section 4) is amended to read:

16 "7-16B-4. IMPOSITION AND RATE OF TAX--DENOMINATION AS
17 ALTERNATIVE FUEL EXCISE TAX.--

18 A. For the privilege of distributing alternative fuel
19 in this state, there is imposed an excise tax at a rate
20 provided in Subsection C of this section on each gallon of
21 alternative fuel distributed in New Mexico.

22 B. The tax imposed by this section may be called the
23 "alternative fuel excise tax".

24 C. For each gallon of alternative fuel distributed in
25 New Mexico, the tax imposed by Subsection A of this section

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1 shall be:

2 (1) for the period beginning January 1, 1996 and
3 ending December 31, 1997, three cents (\$0.03) per gallon;

4 (2) for the period beginning January 1, 1998 and
5 ending December 31, 1999, six cents (\$0.06) per gallon;

6 (3) for the period beginning January 1, 2000 and
7 ending December 31, 2001, nine cents (\$0.09) per gallon; and

8 (4) for the period beginning January 1, 2002 and
9 thereafter, twelve cents (\$0.12) per gallon.

10 D. In lieu of the rates provided in Subsection C of
11 this section, any user who registers, owns or operates a motor
12 vehicle whose gross vehicle weight does not exceed fifty-four
13 thousand pounds that is propelled by alternative fuel that is
14 liquefied petroleum gas or a water-phased hydrocarbon fuel
15 emulsion may pay the alternative fuel excise tax on an annual
16 basis as follows:

17 (1) for the period beginning January 1, 1996 and
18 ending December 31, 1997, the following schedule shall apply:

19	Gross Vehicle Weight	Annual Tax
20	0 to 6,000 pounds	\$ 15.00
21	6,001 to 16,000 pounds	25.00
22	16,001 to 26,000 pounds	75.00
23	26,001 to 40,000 pounds	175.00
24	40,001 to 54,000 pounds	275.00;

25 (2) for the period beginning January 1, 1998 and

1 ending December 31, 1999, the following schedule shall apply:

2	Gross Vehicle Weight	Annual Tax
3	0 to 6,000 pounds	\$ 30.00
4	6,001 to 16,000 pounds	50.00
5	16,001 to 26,000 pounds	150.00
6	26,001 to 40,000 pounds	350.00
7	40,001 to 54,000 pounds	550.00;

8 (3) for the period beginning January 1, 2000 and
9 ending December 31, 2001, the following schedule shall apply:

10	Gross Vehicle Weight	Annual Tax
11	0 to 6,000 pounds	\$ 45.00
12	6,001 to 16,000 pounds	75.00
13	16,001 to 26,000 pounds	225.00
14	26,001 to 40,000 pounds	525.00
15	40,001 to 54,000 pounds	825.00; and

16 (4) for the period beginning January 1, 2002 and
17 thereafter, the following schedule shall apply:

18	Gross Vehicle Weight	Annual Tax
19	0 to 6,000 pounds	\$ 60.00
20	6,001 to 16,000 pounds	100.00
21	16,001 to 26,000 pounds	300.00
22	26,001 to 40,000 pounds	700.00
23	40,001 to 54,000 pounds	1,100.00.

24 E. To facilitate administration of the Alternative
25 Fuel Tax Act, the annual tax provided for in Subsection D of

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1 this section may be prorated for periods of less than one year
2 at the discretion of the secretary.

3 F. Alternative fuel purchased for distribution shall
4 not be subject to the alternative fuel excise tax at the time
5 of purchase or acquisition, but the tax shall be due on any
6 alternative fuel at the time it is dispensed or delivered into
7 the supply tank of a motor vehicle that is operated on the
8 highways of this state."

9 SECTION 4. EFFECTIVE DATE.--The effective date of the
10 provisions of this section is July 1, 2014.