

HOUSE BILL 1486

Q5

EMERGENCY BILL

2lr3312
CF SB 1010

By: Delegates Johnson, Guyton, Bagnall, Crosby, Ebersole, Henson, D. Jones, Watson, Bhandari, Jackson, Kerr, Amprey, Anderson, Attar, Atterbeary, B. Barnes, D. Barnes, Barve, Belcastro, C. Branch, T. Branch, Bridges, Brooks, Cardin, Chang, Charles, Clippinger, Crutchfield, Cullison, Davis, Feldmark, W. Fisher, Foley, Forbes, Fraser-Hidalgo, Gilchrist, Harrison, Hill, Holmes, Howell, Ivey, A. Jones, R. Jones, Kaiser, Kelly, Landis, Lehman, J. Lewis, R. Lewis, Lierman, Lisanti, Lopez, Luedtke, McIntosh, Patterson, Pena-Melnyk, Pendergrass, Prettyman, Proctor, Qi, Reznik, Rogers, Sample-Hughes, Shetty, Stein, Toles, Turner, Valderrama, Valentino-Smith, Walker, Washington, Wells, Wilkins, Williams, Wilson, K. Young, ~~and P. Young~~ P. Young, Boteler, Buckel, Griffith, Hartman, Hornberger, Long, and Rose

Rules suspended

Introduced and read first time: March 5, 2022

Rules suspended

Assigned to: Ways and Means

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 8, 2022

CHAPTER _____

1 AN ACT concerning

2 **Motor Fuel Taxes – Tax-Free Period**

3 FOR the purpose of ~~providing that, for a certain period of time, certain motor fuel taxes~~
4 ~~that would otherwise be imposed shall not apply; requiring the Comptroller to~~
5 ~~announce the motor fuel tax-free period; providing that, for a certain period of time,~~
6 certain motor fuel taxes that would otherwise be imposed do not apply; requiring the
7 Comptroller to pay a refund advance of motor fuel tax to qualifying retailers under
8 certain circumstances; requiring a qualifying retailer to pay certain motor fuel tax
9 to the Comptroller within a certain time after the expiration of the tax-free period;
10 authorizing the Comptroller to suspend certain licenses of a qualifying retailer under
11 certain circumstances; requiring motor carriers to calculate and remit motor carrier
12 tax in a certain manner; and generally relating to motor fuel taxes.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
2 That:

3 ~~(a) Notwithstanding any other provision of law, there shall be a 30-day tax-free~~
4 ~~period, beginning on the effective date of this Act, during which the motor fuel tax imposed~~
5 ~~under Title 9 of the Tax – General Article on each gallon of gasoline other than aviation~~
6 ~~gasoline, each gallon of special fuel other than clean-burning fuel or turbine fuel, and each~~
7 ~~gasoline equivalent gallon of clean-burning fuel except electricity may not apply.~~

8 ~~(b) The Comptroller shall announce the motor fuel tax-free period established~~
9 ~~under subsection (a) of this section.~~

10 ~~(c) It is the intent of the General Assembly that the motor fuel tax-free period~~
11 ~~established under subsection (a) of this section shall be reflected in sales to consumers of~~
12 ~~gasoline, special fuel other than clean-burning fuel or turbine fuel, and gasoline equivalent~~
13 ~~gallon of clean-burning fuel except electricity.~~

14 (a) (1) In this section the following words have the meanings indicated.

15 (2) “Qualifying fuels” means gasoline other than aviation gasoline, each
16 gallon of special fuel other than clean-burning fuel or turbine fuel, and each gasoline gallon
17 equivalent of clean-burning fuel except electricity.

18 (3) “Qualifying retailers” means sellers of qualifying fuels to end-use
19 consumers.

20 (b) Notwithstanding any other provision of law, there shall be a 30-day tax-free
21 period, beginning on the effective date of this Act, during which the motor fuel tax imposed
22 under Title 9, Subtitle 3 of the Tax – General Article does not apply to qualifying fuels sold
23 by qualifying retailers.

24 (c) The Comptroller shall announce the motor fuel tax-free period established
25 under subsection (b) of this section.

26 (d) It is the intent of the General Assembly that the motor fuel tax-free period
27 shall be reflected in full on sales to end-use consumers of qualifying fuels.

28 (e) Sales of qualifying fuels made to qualifying retailers or end-use consumers for
29 delivery during the motor fuel tax-free period may not include the motor fuel tax imposed
30 under Title 9, Subtitle 3 of the Tax – General Article.

31 (f) (1) Qualifying retailers may receive a refund advance for the motor fuel tax
32 previously paid to suppliers on purchases of qualifying fuels.

33 (2) To receive a refund advance, a qualifying retailer must submit to the
34 Comptroller, in the manner specified by the Comptroller, an accounting of qualifying fuels,

1 in gallons, held for sale on the qualifying retailer's premises on the effective date of this
2 Act.

3 (3) The Comptroller shall issue to each qualifying retailer a refund advance
4 equal to the total gallons of qualifying fuel reported under paragraph (2) of this subsection
5 multiplied by the applicable tax per gallon.

6 (g) (1) Within 30 days after the expiration of the motor fuel tax-free period, a
7 qualifying retailer shall report to the Comptroller, in the manner specified by the
8 Comptroller, an accounting of qualifying fuels, in gallons, held for sale on the qualifying
9 retailer's premises at midnight on the 30th calendar day after the effective date of this Act.

10 (2) With the report required under paragraph (1) of this subsection, a
11 qualifying retailer shall remit to the Comptroller payment equal to the total gallons of
12 qualifying fuel reported under paragraph (1) of this subsection multiplied by the applicable
13 tax per gallon.

14 (h) At the Comptroller's discretion and notwithstanding any other provision of
15 law, a qualifying retailer's failure to accurately report its gallons of qualifying fuel under
16 subsections (f) and (g) of this section, or failure to make payment in full as required under
17 subsection (g) of this section, may result in suspension of a qualifying retailer's business
18 license or sales and use tax license in the State.

19 (i) Notwithstanding any other provision of law, motor carriers subject to the tax
20 imposed under Title 9, Subtitle 2 of the Tax – General Article shall calculate and remit the
21 motor carrier tax owed for any reporting period including the motor fuel tax-free period in
22 the manner prescribed by the Comptroller.

23 (j) End-use consumers of qualifying fuels do not have any right of refund from
24 the State for any motor fuel tax paid in error during the motor fuel tax-free period.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act is an emergency
26 measure, is necessary for the immediate preservation of the public health or safety, has
27 been passed by a ye and nay vote supported by three-fifths of all the members elected to
28 each of the two Houses of the General Assembly, and shall take effect from the date it is
29 enacted.