The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

DIGEST 2015 Regular Session

White

<u>Present law</u> provides for taxation of special fuels - including compressed natural gas, liquified natural gas, and liquified petroleum gas - sold, used, or consumed in La. for the operation of motor vehicles licensed or required to be licensed for highway use at the rate of 16¢ per gallon.

Proposed law retains present law.

SB 271 Original

<u>Present law</u> specifies that <u>present law</u> 16-cent-per-gallon tax does not apply to compressed natural gas, liquefied natural gas, or liquefied petroleum gas sold to, delivered to, or used by any person who pays the annual fuel tax levied under other provisions of present law.

<u>Proposed law</u> deletes this exception and removes the provisions allowing for an annual fuel tax.

<u>Proposed law</u> provides for determinations of a special fuel's energy content in relation to a gallon of gasoline or diesel beginning Jan. 1, 2016. Specifies that for purposes of levying the 16-cent-pergallon tax:

- (1) The gasoline gallon equivalent shall be 5.660 pounds of compressed natural gas.
- (2) The diesel gallon equivalent shall be 6.060 pounds of liquified natural gas.
- (3) The diesel gallon equivalent shall be 4.2 pounds of liquified petroleum gas.

<u>Proposed law</u> provides for licensing of persons utilizing, delivering, or selling the special fuels; requirements for collection of the per-gallon tax by the licensed users, dealers, and sellers; application, suspension, cancellation, and revocation of licenses; bond requirements; returns, payments, credits, refunds, and fines, penalties, and interest for failure to pay associated with the tax; records retention and inspection; and investigative and enforcement authority, including authorization for search and seizure and criminal penalties for certain prohibited acts.

<u>Proposed law</u> authorizes and requires the Commissioner of Agriculture to assist the secretary of the Dept. of Revenue in collecting the taxes and any interest or penalties due pursuant to the provisions of <u>proposed law</u>. Requires the commissioner, in consultation with the secretary, to promulgate rules pursuant to the Administrative Procedure Act to provide procedures and processes for the orderly regulation and enforcement of the laws governing taxation of compressed natural gas, liquified natural gas, and liquified petroleum gas.

Effective August 1, 2015.

 $(Amends\ R.S.\ 3:4602(12.1)\ and\ R.S.\ 47:818.2(intro\ para), (18), (22), (43), (44), and\ (63);\ adds\ R.S.\ 3:4690.1\ and\ R.S.\ 47:818.111-818.133;\ repeals\ R.S.\ 47:818.101-104)$