

Senate File 2355

H-8314

1 Amend Senate File 2355, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 15, after line 33 by inserting:

4 <DIVISION
5 ROAD FUNDING — MOTOR FUEL EXCISE TAXES

6 Sec. _____. Section 452A.3, subsection 1, unnumbered
7 paragraph 1, Code 2014, is amended to read as follows:

8 Except as otherwise provided in this section and in
9 this division, until ~~June 30~~ December 31, 2014, this
10 subsection shall apply to the excise tax imposed on
11 each gallon of motor fuel used for any purpose for the
12 privilege of operating motor vehicles in this state.

13 Sec. _____. Section 452A.3, subsection 1A, Code 2014,
14 is amended by striking the subsection and inserting in
15 lieu thereof the following:

16 1A. a. Except as otherwise provided in this
17 section and in this division, beginning January 1,
18 2015, this subsection shall apply to the excise taxes
19 imposed on each gallon of motor fuel used for any
20 purpose for the privilege of operating motor vehicles
21 in this state.

22 b. An excise tax is imposed on each gallon of
23 ethanol blended gasoline in an amount equal to the sum
24 of sixteen cents per gallon plus five percent of the
25 statewide average retail price of a gallon of ethanol
26 blended gasoline. The portion of the excise tax that
27 is based on the statewide average retail price shall
28 be computed by the department and adjusted annually on
29 January 1 by calculating five percent of the statewide
30 average retail price of a gallon of ethanol blended
31 gasoline, exclusive of federal and state excise taxes,
32 for the twelve-month period beginning October 1 and
33 ending September 30 immediately preceding the calendar
34 year in which the adjusted tax rate will take effect,
35 rounded to the nearest tenth of a cent.

36 c. An excise tax is imposed on each gallon of
37 nonethanol blended gasoline in an amount equal to the
38 sum of sixteen cents per gallon plus five percent of
39 the statewide average retail price of a gallon of
40 nonethanol blended gasoline. The portion of the excise
41 tax that is based on the statewide average retail
42 price shall be computed by the department and adjusted
43 annually on January 1 by calculating five percent of
44 the statewide average retail price of a gallon of
45 nonethanol blended gasoline, exclusive of federal
46 and state excise taxes, for the twelve-month period
47 beginning October 1 and ending September 30 immediately
48 preceding the calendar year in which the adjusted tax
49 rate will take effect, rounded to the nearest tenth of
50 a cent.

1 d. The department shall adopt rules prescribing
2 the process for computing the portion of the excise
3 tax under paragraph "b" that is based on the statewide
4 average retail price of a gallon of ethanol blended
5 gasoline and the portion of the excise tax under
6 paragraph "c" that is based on the statewide average
7 retail price of a gallon of nonethanol blended
8 gasoline.

9 Sec. _____. Section 452A.3, subsections 1B and 1C,
10 Code 2014, are amended by striking the subsections.

11 Sec. _____. Section 452A.3, subsection 3, Code 2014,
12 is amended to read as follows:

13 3. a. For the privilege of operating motor
14 vehicles or aircraft in this state, there is imposed
15 an excise tax on the use of special fuel in a motor
16 vehicle or aircraft.

17 (1) (a) The tax Beginning January 1, 2015, the
18 rate of the excise tax on special fuel for diesel
19 engines of motor vehicles is twenty-two and one-half an
20 amount equal to the sum of eighteen cents per gallon
21 plus five percent of the statewide average retail
22 price of a gallon of special fuel for diesel engines
23 of motor vehicles. The portion of the excise tax that
24 is based on the statewide average retail price shall
25 be computed by the department and adjusted annually on
26 January 1 by calculating five percent of the statewide
27 average retail price of a gallon of special fuel for
28 diesel engines of motor vehicles, exclusive of federal
29 and state excise taxes, for the twelve-month period
30 beginning October 1 and ending September 30 immediately
31 preceding the calendar year in which the adjusted tax
32 rate will take effect, rounded to the nearest tenth of
33 a cent.

34 (b) The department shall adopt rules prescribing
35 the process for computing the portion of the excise tax
36 that is based on the statewide average retail price of
37 a gallon of special fuel for diesel engines of motor
38 vehicles.

39 (2) The rate of tax on special fuel for aircraft is
40 three cents per gallon.

41 (3) On all other special fuel, unless otherwise
42 specified in this section, the per gallon rate is
43 the same as the motor fuel tax on nonethanol blended
44 gasoline.

45 b. Indelible dye meeting United States
46 environmental protection agency and internal revenue
47 service regulations must be added to fuel before or
48 upon withdrawal at a terminal or refinery rack for that
49 fuel to be exempt from tax and the dyed fuel may be
50 used only for an exempt purpose.

1 Sec. _____. Section 452A.3, Code 2014, is amended by
2 adding the following new subsection:

3 NEW SUBSECTION. 6A. By December 15 of each year,
4 the director shall cause an advisory notice to be
5 published in the Iowa administrative bulletin and
6 in a newspaper of general circulation in this state,
7 stating the rate of excise taxes established pursuant
8 to subsection 1A and subsection 3, paragraph "a",
9 subparagraph (1), both as enacted in this Act, that
10 will take effect the following January 1.

11 Sec. _____. Section 452A.3, subsection 4, as amended
12 by 2014 Iowa Acts, Senate File 2338, section 3, is
13 amended to read as follows:

14 4. For compressed natural gas used as a special
15 fuel, the rate of the excise tax is ~~twenty-one cents~~
16 ~~per gallon~~ the rate imposed for nonethanol blended
17 gasoline under subsection 1A, paragraph "c".

18 Sec. _____. Section 452A.3, subsection 4A, as enacted
19 by 2014 Iowa Acts, Senate File 2338, section 4, is
20 amended to read as follows:

21 4A. For liquefied natural gas used as a special
22 fuel, the rate of the excise tax is ~~twenty-two and~~
23 ~~one-half cents per gallon~~ the rate imposed for special
24 fuel for diesel engines of motor vehicles under
25 subsection 3, paragraph "a", subparagraph (1).

26 Sec. _____. 2005 Iowa Acts, chapter 178, section 41,
27 subsection 3, is amended to read as follows:

28 3. REPEAL. This section is repealed effective July
29 1, ~~2015~~ 2025.

30 Sec. _____. APPLICABILITY — INVENTORY TAX.

31 Notwithstanding section 452A.85, persons who have title
32 to motor fuel, ethanol blended gasoline, undyed special
33 fuel, compressed natural gas, liquefied natural gas, or
34 liquefied petroleum gas in storage and held for sale on
35 the effective date of an increase in the rate of excise
36 tax imposed on motor fuel, ethanol blended gasoline,
37 undyed special fuel, compressed natural gas, liquefied
38 natural gas, or liquefied petroleum gas pursuant to
39 this Act shall not be subject to an inventory tax on
40 the gallonage in storage as provided in section 452A.85
41 as a result of any tax increase due to implementation
42 of this Act.

43 Sec. _____. EFFECTIVE DATE.

44 1. Except as provided in subsection 2, this
45 division of this Act, being deemed of immediate
46 importance, takes effect upon enactment.

47 2. The following sections of this division of this
48 Act take effect January 1, 2015:

49 a. The section amending section 452A.3, subsection
50 3.

- 1 b. The section amending section 452A.3, subsection
2 4, as amended by 2014 Acts, Senate File 2338, section
3 3.
- 4 c. The section amending section 452A.3, subsection
5 4A, as enacted by 2014 Acts, Senate File 2338, section
6 4.
- 7 d. The section relating to the applicability of the
8 inventory tax.>
- 9 2. Title page, line 2, after <transportation,> by
10 inserting <providing for certain road funding and motor
11 fuel excise taxes,>
- 12 3. By renumbering as necessary.

BYRNES of Mitchell