A BILL FOR

1 An Act relating to motor vehicle taxes and fees, including
2 registration fees for certain electric vehicles, an excise
tax on hydrogen used as special fuel, and an excise tax on
3 electricity used as electric fuel, providing penalties,
4 making penalties applicable, and including effective date
5 provisions.
6
7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
DIVISION I
REGISTRATION FEES FOR ELECTRIC VEHICLES

Section 1. NEW SECTION. 321.116 Battery electric and plug-in hybrid electric motor vehicle fees.

1. For each battery electric motor vehicle subject to an annual registration fee under section 321.109, subsection 1, paragraph "a", and operated on the public highways of this state, the owner shall pay an annual battery electric motor vehicle registration fee, which shall be in addition to the annual registration fee imposed for the vehicle under section 321.109, subsection 1, paragraph "a". For purposes of this subsection, "battery electric motor vehicle" means a motor vehicle equipped with electrical drivetrain components and not equipped with an internal combustion engine, that is propelled exclusively by one or more electrical motors using electrical energy stored in a battery or other energy storage device that can be recharged by plugging into an electrical outlet or electric vehicle charging station. The amount of the fee shall be as follows:

   a. For the period beginning January 1, 2020, and ending December 31, 2020, sixty-five dollars.

   b. For the period beginning January 1, 2021, and ending December 31, 2021, ninety-seven dollars and fifty cents.

   c. On or after January 1, 2022, one hundred thirty dollars.

2. For each plug-in hybrid electric motor vehicle subject to an annual registration fee under section 321.109, subsection 1, paragraph "a", and operated on the public highways of this state, the owner shall pay an annual plug-in hybrid electric motor vehicle registration fee, which shall be in addition to the annual registration fee imposed for the vehicle under section 321.109, subsection 1, paragraph "a". For purposes of this subsection, "plug-in hybrid electric motor vehicle" means a motor vehicle equipped with electrical drivetrain components, an internal combustion engine, and a battery or other energy storage device that can be recharged by plugging into an
1 electrical outlet or electric vehicle charging station. The
2 amount of the fee shall be as follows:
3   a. For the period beginning January 1, 2020, and ending
4   December 31, 2020, thirty-two dollars and fifty cents.
5   b. For the period beginning January 1, 2021, and ending
6   December 31, 2021, forty-eight dollars and seventy-five cents.
7   c. On or after January 1, 2022, sixty-five dollars.
8 Sec. 2. Section 321.117, Code 2019, is amended to read as
9 follows:
10 321.117 Motorcycle, autocycle, ambulance, and hearse fees.
11 1. For all motorcycles and autocycles the annual
12 registration fee shall be twenty dollars. For all motorized
13 bicycles the annual registration fee shall be seven dollars.
14 When the motorcycle or autocycle is more than five model
15 years old, the annual registration fee shall be ten dollars.
16 The annual registration fee for ambulances and hearses shall
17 be fifty dollars. Passenger car plates shall be issued for
18 ambulances and hearses.
19 2. In addition to the fee required for a motorcycle under
20 subsection 1, the owner of a motorcycle that is a battery
21 electric motor vehicle or plug-in hybrid electric motor
22 vehicle, as those terms are defined in section 321.116, shall
23 pay an annual electric motorcycle registration fee. The amount
24 of the fee shall be as follows:
25   a. For the period beginning January 1, 2020, and ending
26 December 31, 2020, four dollars and fifty cents.
27   b. For the period beginning January 1, 2021, and ending
28 December 31, 2021, six dollars and seventy-five cents.
29   c. On or after January 1, 2022, nine dollars.
30 Sec. 3. EFFECTIVE DATE. This division of this Act takes
32
33 DIVISION II
34 HYDROGEN FUEL EXCISE TAX
35 Sec. 4. Section 452A.2, Code 2019, is amended by adding the
36 following new subsection:
H.F. 767

NEW SUBSECTION. 20A. "Fuel supply tank", with respect to motor vehicles that use hydrogen as a special fuel, means a motor vehicle’s hydrogen fuel cells.

Sec. 5. Section 452A.2, subsection 21, Code 2019, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. "Gallon", with respect to hydrogen, means a diesel gallon equivalent. A diesel gallon equivalent of hydrogen is two and forty-nine hundredths pounds.

Sec. 6. Section 452A.2, subsections 25, 26, 39, and 45, Code 2019, are amended to read as follows:

25. “Licensed compressed natural gas, liquefied natural gas, and liquefied petroleum gas, and hydrogen dealer” means a person in the business of handling untaxed compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen who delivers any part of the fuel into a fuel supply tank of any motor vehicle.

26. “Licensed compressed natural gas, liquefied natural gas, and liquefied petroleum gas, and hydrogen user” means a person licensed by the department who dispenses compressed natural gas, liquefied natural gas, or liquefied petroleum gas, upon which the special fuel tax has not been previously paid, for highway use from fuel sources owned and controlled by the person into the fuel supply tank of a motor vehicle, or commercial vehicle owned or controlled by the person.

39. “Special fuel” means fuel oils and all combustible gases and liquids suitable for the generation of power for propulsion of motor vehicles or turbine-powered aircraft, and includes any substance used for that purpose, except that it does not include motor fuel. Kerosene shall not be considered to be a special fuel, unless blended with other special fuels for use in a motor vehicle with a diesel engine. Methanol shall not be considered to be a special fuel unless blended with other special fuels for use in a motor vehicle with a diesel engine. Hydrogen shall be considered to be a special fuel when used...
or intended for use in combination with oxygen to generate
electricity for propulsion of a motor vehicle.

45. "Use", with respect to liquefied petroleum gas, means
the receipt, delivery, or placing of liquefied petroleum gas by
a licensed liquefied petroleum gas user into a fuel supply tank
of a motor vehicle while the vehicle is in the state, except
that with respect to hydrogen used as a special fuel, "use"
means the receipt, delivery, or placing of hydrogen
into equipment for compressing the gas for subsequent delivery
into the fuel supply tank of a motor vehicle while the vehicle
is in the state. With respect to natural gas used as a special
fuel, "use" means the receipt, delivery, or placing of natural gas
into equipment for compressing the gas for subsequent delivery
into the fuel supply tank of a motor vehicle while the vehicle
is in the state.

Sec. 7. Section 452A.3, Code 2019, is amended by adding the
following new subsection:

NEW SUBSECTION. 9A. For hydrogen used as a special fuel,
the rate of tax is sixty-five cents per gallon.

Sec. 8. Section 452A.4, subsection 1, paragraph d, Code
2019, is amended to read as follows:

d. A dealer's or user's license shall be required for each
separate place of business or location where compressed natural
gas, liquefied natural gas, or liquefied petroleum gas, or
hydrogen is delivered or placed into the fuel supply tank of a
motor vehicle.

Sec. 9. Section 452A.8, subsection 2, paragraph e,
subparagraphs (1), (2), and (3), Code 2019, are amended to read
as follows:

(1) For purposes of this paragraph "e", "dealer" or "user"
means a licensed compressed natural gas, liquefied natural gas,
and liquefied petroleum gas, and hydrogen dealer or user and
"fuel" means compressed natural gas, liquefied natural gas, or
liquefied petroleum gas, or hydrogen.

(2) The tax for compressed natural gas, liquefied natural
gas, and liquefied petroleum gas, and hydrogen delivered by
a licensed dealer for use in this state shall attach at the
time of the delivery and shall be collected by the dealer
from the purchaser and paid to the department as provided in
this chapter. The tax, with respect to compressed natural
gas, liquefied natural gas, and liquefied petroleum gas, and
hydrogen acquired by a purchaser in any manner other than by
delivery by a licensed dealer into a fuel supply tank of a
motor vehicle, attaches at the time of the use of the fuel
and shall be paid over to the department by the purchaser as
provided in this chapter.

(3) The department shall adopt rules governing the
dispensing of compressed natural gas, liquefied natural gas,
and liquefied petroleum gas, and hydrogen by licensed dealers
and licensed users. The director may require by rule that
reports and returns be filed by electronic transmission. The
department shall require that all pumps located at dealer
locations and user locations through which liquefied petroleum
gas can be dispensed shall be metered, inspected, tested
for accuracy, and sealed and licensed by the department of
agriculture and land stewardship, and that fuel delivered
into the fuel supply tank of any motor vehicle shall be
dispensed only through tested metered pumps and may be sold
without temperature correction or corrected to a temperature
of 60 degrees Fahrenheit. If the metered gallonage is to be
temperature-corrected, only a temperature-compensated meter
shall be used. Natural gas used as fuel shall be delivered
into compressing equipment through sealed meters certified for
accuracy by the department of agriculture and land stewardship.
Hydrogen used as fuel shall be delivered into the fuel supply
tank of any motor vehicle through sealed meters certified for
accuracy by the department of agriculture and land stewardship.
The department of agriculture and land stewardship may adopt
rules pursuant to chapter 17A relating to the certification and
accuracy of meters used to deliver hydrogen.

Sec. 10. Section 452A.60, subsection 1, Code 2019, is
amended to read as follows:

1. The department of revenue or the state department of transportation shall prescribe and furnish all forms, as applicable, upon which reports, returns, and applications shall be made and claims for refund presented under this chapter and may prescribe forms of record to be kept by suppliers, restrictive suppliers, importers, exporters, blenders, common carriers, contract carriers, licensed compressed natural gas, liquefied natural gas, and liquefied petroleum gas, and hydrogen dealers and users, terminal operators, nonterminal storage facility operations, and interstate commercial motor vehicle operators.

Sec. 11. Section 452A.62, subsection 1, paragraph a, subparagraph (2), Code 2019, is amended to read as follows:

(2) A licensed compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen dealer, user, or person supplying compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen to a licensed compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen dealer or user.

Sec. 12. Section 452A.62, subsection 1, paragraph b, Code 2019, is amended to read as follows:

b. To examine the records, books, papers, receipts, and invoices of any distributor, supplier, restrictive supplier, importer, blender, exporter, terminal operator, nonterminal storage facility, licensed compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen dealer or user, or any other person who possesses fuel upon which the tax has not been paid to determine financial responsibility for the payment of the taxes imposed by this chapter.

Sec. 13. Section 452A.74, subsection 1, paragraphs e and g, Code 2019, are amended to read as follows:

e. For any person to act as a supplier, restrictive supplier, importer, exporter, blender, or compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or
hydrogen dealer or user without the required license.

For any licensed compressed natural gas, liquefied natural gas, or hydrogen dealer or user to dispense compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen into the fuel supply tank of any motor vehicle without collecting the fuel tax.

Sec. 14. Section 452A.74, subsection 2, Code 2019, is amended to read as follows:

2. Any delivery of compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen dealer or user for the purpose of evading the state tax on compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen, into facilities other than those licensed under this chapter knowing that the fuel will be used for highway use shall constitute a violation of this section. Any compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen dealer or user for purposes of evading the state tax on compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen, who allows a distributor to place compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen for highway use in facilities other than those licensed under this chapter, shall also be deemed in violation of this section.

Sec. 15. Section 452A.85, subsection 1, Code 2019, is amended to read as follows:

1. Persons having title to motor fuel, ethanol blended gasoline, undyed special fuel, compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen in storage and held for sale on the effective date of an increase in the excise tax rate imposed on motor fuel, ethanol blended gasoline, undyed special fuel, compressed natural gas, liquefied natural gas, or liquefied petroleum gas, or hydrogen under this chapter shall be subject to an inventory
tax based upon the gallonage in storage as of the close of the
business day preceding the effective date of the increased
excise tax rate of motor fuel, ethanol blended gasoline, undyed
special fuel, compressed natural gas, liquefied natural gas, or
liquefied petroleum gas, or hydrogen which will be subject to
the increased excise tax rate.

Sec. 16. Section 452A.86, Code 2019, is amended to read as
follows:

452A.86 Method of determining gallonage.
The exclusive method of determining gallonage of any
purchases or sales of motor fuel, undyed special fuel,
or liquefied petroleum gas as defined in this chapter and
distillate fuels shall be on a gross volume basis, except
for compressed natural gas, and liquefied natural gas, and
hydrogen. The exclusive method of determining gallonage of any
purchases or sales of compressed natural gas is the gasoline
gallon equivalent, as defined in section 452A.2, subsection
21. The exclusive method of determining gallonage of any
purchase or sale of liquefied natural gas is the diesel gallon
equivalent, as defined in section 452A.2, subsection 21. The exclusive method of determining gallonage of any
sales of hydrogen is the diesel gallon equivalent, as defined
in section 452A.2, subsection 21. A temperature-adjusted
or other method shall not be used, except as it applies to
liquefied petroleum gas and the sale or exchange of petroleum
products between petroleum refiners. All invoices, bills of
lading, or other records of sale or purchase and all returns
or records required to be made, kept, and maintained by a
supplier, restrictive supplier, importer, exporter, blender,
or compressed natural gas, liquefied natural gas, or
liquefied petroleum gas, or hydrogen dealer or user shall be made, kept,
and maintained on the gross volume basis. For purposes of
this section, "distillate fuels" means any fuel oil, gas oil,
topped crude oil, or other petroleum oils derived by refining
or processing crude oil or unfinished oils which have a boiling
range at atmospheric pressure which falls completely or in part
between 550 and 1,200 degrees Fahrenheit.

Sec. 17. EFFECTIVE DATE. This division of this Act takes

DIVISION III
ELECTRIC FUEL EXCISE TAX
Sec. 18. Section 312.2, subsection 9, Code 2019, is amended
by adding the following new paragraph:
NEW PARAGRAPH. c. From the excise tax on electric fuel
imposed under the tax rate of section 452A.41, the amount of
excise tax collected from fifteen hundredths of one cent per
kilowatt hour.

Sec. 19. Section 312.2, subsection 10, Code 2019, is amended
by adding the following new paragraph:
NEW PARAGRAPH. c. From the excise tax on electric fuel
imposed under the tax rate of section 452A.41, the amount
of excise tax collected from two hundredths of one cent per
kilowatt hour.

Sec. 20. Section 423.3, subsection 56, Code 2019, is amended
to read as follows:
56. The sales price from the sale of motor fuel, and
special fuel, and electric fuel consumed for highway use or in
watercraft or aircraft where the fuel tax has been imposed and
paid and no refund has been or will be allowed and the sales
price from the sales of ethanol blended gasoline, as defined
in section 214A.1.

Sec. 21. Section 423B.5, subsection 1, Code 2019, is amended
to read as follows:
1. A local sales and services tax may be imposed by a
county on the sales price taxed by the state under chapter
423, subchapter II. A local sales and services tax shall be
imposed on the same basis as the state sales and services tax
or in the case of the use of natural gas, natural gas service,
electricity, or electric service on the same basis as the
state use tax and shall not be imposed on the sale of any
property or on any service not taxed by the state, except the
tax shall not be imposed on the sales price from the sale of
motor fuel, or special fuel, or electric fuel, as those terms
are defined in chapter 452A, which is consumed for highway use
or in watercraft or aircraft if the fuel tax is paid on the
transaction and a refund has not or will not be allowed, on the
sales price from the sale of equipment by the state department
of transportation, or on the sales price from the sale or use
of natural gas, natural gas service, electricity, or electric
service in a city or county where the sales price from the sale
of natural gas or electric energy is subject to a franchise
tax fee or user fee during the period the franchise or user fee
is imposed. A local sales and services tax is applicable to
transactions within those cities and unincorporated areas of
the county where it is imposed, which transactions include
but are not limited to sales sourced pursuant to section
423.15, 423.17, 423.19, or 423.20, to a location within that
city or unincorporated area of the county. The tax shall be
collected by all persons required to collect state sales taxes.
However, a local sales and services tax is not applicable to
transactions sourced under chapter 423 to a place of business,
as defined in section 423.1, of a retailer if such place of
business is located in part within a city or unincorporated
area of the county where the tax is not imposed.
Sec. 22. Section 423E.3, subsection 1, Code 2019, is amended
to read as follows:
1. The tax shall be imposed on the same basis as the state
sales and services tax or in the case of the use of natural
gas, natural gas service, electricity, or electric service on
the same basis as the state use tax and shall not be imposed
on the sale of any property or on any service not taxed by the
state, except the tax shall not be imposed on the sales price
from the sale of motor fuel, or special fuel, or electric fuel,
as those terms are defined in chapter 452A, which is consumed
for highway use or in watercraft or aircraft if the fuel tax
is paid on the transaction and a refund has not or will not be allowed, on the sales price from the sale of equipment by the state department of transportation, or on the sales price from the sale or use of natural gas, natural gas service, electricity, or electric service in a city or county where the sales price from the sale of natural gas or electric energy is subject to a franchise fee or user fee during the period the franchise or user fee is imposed.

Sec. 23. NEW SECTION. 452A.40 Definitions.

As used in this subchapter, unless the context otherwise requires:

1. "Department" means the department of revenue.

2. "Electric fuel" means electrical energy delivered or placed into the battery or other energy storage device of an electric motor vehicle from a source outside the motor vehicle for purposes of propelling the motor vehicle. "Electric fuel" shall be deemed motor vehicle fuel for purposes of Article VII, section 8, of the Constitution of the State of Iowa.

3. "Electric motor vehicle" means a motor vehicle equipped with electrical drivetrain components that has the ability to be propelled, fully or partially, by one or more electrical motors using electrical energy stored in a battery or other energy storage device that can be recharged by plugging into an electrical outlet or electric vehicle charging station.

4. "Licensed electric fuel dealer" means a person licensed by the department who owns an electric vehicle charging station that dispenses electric fuel, upon which the electric fuel tax has not been previously paid, for highway use into the battery or other energy storage device of an electric motor vehicle in this state at a location other than a residence.

5. "Licensed electric fuel user" means a person licensed by the department who dispenses electric fuel, upon which the electric fuel tax has not been previously paid, for highway use from a charging station owned and controlled by the person into the battery or other energy storage device of an electric motor
1 vehicle owned or controlled by the person in this state at a
2 location other than a residence.
3 6. "Residence" means the place where a person resides,
4 permanently or temporarily.
5 7. "Use" means the receipt, delivery, or placing of electric
6 fuel by a licensed electric fuel user into the battery or other
7 energy storage device of an electric motor vehicle owned or
8 controlled by the user in this state at a location other than a
9 residence.
10 Sec. 24. NEW SECTION. 452A.41 Levy and collection of excise
11 tax on electric fuel.
12 1. An excise tax of two and six-tenths cents is imposed on
13 each kilowatt hour of electric fuel delivered or placed into
14 the battery or other energy storage device of an electric motor
15 vehicle at a location in this state other than a residence.
16 2. The tax for electric fuel delivered by a licensed
17 electric fuel dealer for use in this state shall attach at the
18 time of the delivery and shall be paid to the department by
19 the licensed electric fuel dealer in a manner prescribed by
20 the department. The tax for electric fuel used by a licensed
21 electric fuel user shall attach at the time of the use of
22 the fuel and shall be paid to the department by the licensed
23 electric fuel user in a manner prescribed by the department.
24 3. The department shall adopt rules governing the
25 dispensing of electric fuel by licensed dealers and users. The
26 director may require by rule that reports and returns be filed
27 by electronic transmission. The department may require by rule
28 that all charging stations located at dealer and user locations
29 through which electric fuel can be dispensed be tested for
30 accuracy.
31 4. a. For the purpose of determining the amount of
32 liability for the electric fuel tax, each dealer and user shall
33 file with the department not later than July 31 for the period
34 beginning January 1 and ending June 30, and not later than
35 January 30 for the period beginning July 1 and ending December
30, a biannual tax return certified under penalties for false
certification. The return shall show, with reference to each
location at which fuel is delivered or placed by the dealer or
user into the battery or other energy storage device of any
electric motor vehicle during the next preceding six calendar
months, information as required by the department. On and
after January 1, 2026, the department may require by rule that
such tax returns be filed quarterly.

b. The amount of tax due shall be computed by multiplying
the appropriate tax rate per kilowatt hour by the number of
kilowatt hours of electric fuel delivered or placed by the
dealer or user into the batteries or other energy storage
devices of electric motor vehicles.

c. The return shall be accompanied by remittance in the
amount of the tax due for the determination period in which
the fuel was placed into the batteries or other energy storage
devices of electric motor vehicles.

5. Moneys collected under this subchapter by a licensed
electric fuel dealer or user are deemed to be held in trust for
the state of Iowa.

6. This subchapter shall not be construed to require a
public utility, as defined in section 476.1, to collect the
excise tax on electric fuel or to install a separate electric
utility meter or otherwise use utility equipment for purposes
related to the excise tax on electric fuel, unless the public
utility is a licensed electric fuel dealer or licensed electric
fuel user.

Sec. 25. NEW SECTION. 452A.42 Electric fuel dealer’s and
user’s license.

1. A person shall not sell or dispense electric fuel within
this state at a location other than a residence or otherwise
act as a licensed electric fuel dealer or user unless the
person holds an uncanceled license issued by the department.
The holder of an electric fuel dealer’s license is authorized
to sell and dispense electric fuel, measured in kilowatt hours,
1 to consumers. The holder of an electric fuel user’s license
2 is authorized to dispense electric fuel, measured in kilowatt
3 hours, into the batteries or other energy storage devices of
4 electric motor vehicles owned or controlled by the holder.
5
2. To procure a license, a person shall file with the
6 department an application signed under penalty for false
7 certificate setting forth all of the following:
8   a. The name under which the licensee will transact business
9 in this state.
10   b. The location, with street number address, of the
11 principal office or place of business of the licensee within
12 this state.
13   c. The name and complete residence address of the owner
14 or the names and addresses of the partners, if the licensee
15 is a partnership, or the names and addresses of the principal
16 officers, if the licensee is a corporation or association.
17
3. A dealer’s or user’s license shall be required for each
18 separate place of business or location, other than a residence,
19 where electric fuel is delivered or placed into the battery or
20 other energy storage device of an electric motor vehicle.
21
4. a. The department may deny the issuance of a license to
22 an applicant who is substantially delinquent in the payment of
23 a tax due, or the interest or penalty on the tax, administered
24 by the department. If the applicant is a partnership, a
25 license may be denied if a partner owes any delinquent tax,
26 interest, or penalty. If the applicant is a corporation, a
27 license may be denied if any officer having a substantial legal
28 or equitable interest in the ownership of the corporation owes
29 any delinquent tax, interest, or penalty of the applicant
30 corporation.
31   b. The department may deny the issuance of a license if
32 an application for a license to transact business as a dealer
33 or user in this state is filed by a person whose license or
34 registration has been canceled for cause at any time under the
35 provisions of this chapter or any prior motor fuel tax law, if
the department has reason to believe that the application is not filed in good faith, or if the application is filed by some person as a subterfuge for the real person in interest whose license or registration has been canceled for cause under the provisions of this chapter or any prior motor fuel tax law. The applicant shall be given fifteen days' notice in writing of the date of the hearing and shall have the right to appear in person or by counsel and present testimony.

5. a. The application in proper form having been accepted for filing, and the other conditions and requirements of this section and subchapter IV having been complied with, the department shall issue to the applicant a license to transact business as an electric fuel dealer or user in this state. The license shall remain in full force and effect until canceled as provided in this chapter.

b. The license shall not be assignable and shall be valid only for the licensee in whose name it is issued.

c. The department shall keep and file all applications and bonds and a record of all licensees.

Sec. 26. NEW SECTION. 452A.43 Records.

1. A licensed electric fuel dealer or user shall maintain, for a period of three years, records of all transactions by which the dealer or user dispenses electric fuel into the batteries or other energy storage devices of electric motor vehicles, including pertinent records and papers as required by the department.

2. If in the normal conduct of a dealer's or user's business the records are maintained and kept at an office outside this state, the records shall be made available for audit and examination by the department at the office outside this state, but the audit and examination shall be without expense to this state.

3. The department, after an audit and examination of records required to be maintained under this section, may authorize their disposal upon the written request of the dealer or user.
Sec. 27. NEW SECTION. 452A.44 Refunds.

1. A person who uses electric fuel for any of the nontaxable purposes set forth in section 452A.17, subsection 1, paragraph "a", for motor fuel and undyed special fuel, and who has paid the electric fuel tax either directly to the department or by having the tax added to the price of the fuel, and who has a refund permit, upon presentation to and approval by the department of a claim for refund, subject to the conditions set forth in section 452A.17, subsection 1, paragraph "b", shall be reimbursed and repaid the amount of the tax which the claimant has paid on the kilowatt hours so used, except that the amount of a refund payable may be applied by the department against any tax liability outstanding on the books of the department against the claimant. Refunds under this section are subject to the limitations and requirements set forth in section 452A.17, subsection 3, for motor fuel and undyed special fuel refunds.

2. A person shall not claim a refund under this section until the person has obtained a refund permit meeting the requirements of section 452A.18 from the department. The department may revoke a refund permit pursuant to section 452A.19.

3. Tax collected on electric fuel that is not taxable, or tax collected in excess of the actual amount of tax due, is subject to section 452A.22.

Sec. 28. Section 452A.52, Code 2019, is amended to read as follows:

452A.52 Fuels imported in supply tanks of motor vehicles — applicability.

1. a. No A person shall not bring into this state in the fuel supply tanks of a commercial motor vehicle, or any other container, regardless of whether or not the supply tanks are connected to the motor of the vehicle, any motor fuel or special fuel to be used in the operation of the vehicle in this state unless that person has paid or made arrangements in
1 advance with the state department of transportation for payment
2 of Iowa fuel taxes on the gallonage consumed in operating the
3 vehicle in this state; except that this subchapter shall not
4 apply to a private passenger automobile.
5   b. A person shall not bring into this state in the batteries
6 or other energy storage devices of a commercial motor vehicle,
7 or any other energy storage device, regardless of whether the
8 batteries or storage devices are connected to the motor of
9 the vehicle, any electric fuel to be used in the operation
10 of the vehicle in this state unless that person has paid or
11 made arrangements in advance with the state department of
12 transportation for payment of Iowa fuel taxes on the kilowatt
13 hours consumed in operating the vehicle in this state.
14 2. Any person who is unable to display either of the
15 permits or the license provided in section 452A.53 and brings
16 into the state in the fuel supply tanks of a commercial motor
17 vehicle more than thirty gallons of motor fuel or special fuel,
18 or brings into the state in the batteries or other energy
19 storage devices of a commercial motor vehicle more than three
20 hundred fifty kilowatt hours of electric fuel, in violation
21 of subsection 1 commits a simple misdemeanor punishable as
22 a scheduled violation under section 805.8A, subsection 13,
23 paragraph "c".
24 3. This subchapter shall not apply to a private passenger
25 automobile.
26 Sec. 29. Section 452A.53, subsections 2, 3, and 5, Code
27 2019, are amended to read as follows:
28 2. Persons choosing not to make advance arrangements with
29 the state department of transportation by procuring a permit or
30 license are not relieved of their responsibility to purchase
31 motor fuel, and special fuel, and electric fuel commensurate
32 with their use of the state’s highway system. When there
33 is reasonable cause to believe that there is evasion of the
34 fuel tax on commercial motor vehicles, the state department
35 of transportation may audit persons not holding a permit
1 or license. Audits shall be conducted pursuant to section 2 452A.55 and in accordance with international fuel tax agreement 3 guidelines. The state department of transportation shall 4 collect all taxes due and refund any overpayment.

3. A permanent international fuel tax agreement permit 4 or license may be obtained upon application to the state 5 department of transportation. A fee of ten dollars shall be 6 charged for each permit or license issued. The holder of 7 a permanent permit or license shall have the privilege of 8 bringing into this state in the fuel supply tanks of commercial 9 motor vehicles any amount of motor fuel or special fuel, or in 10 the batteries or other energy storage devices of commercial 11 motor vehicles any amount of electric fuel, to be used in the 12 operation of the vehicles and for that privilege shall pay 13 Iowa motor fuel or special fuel taxes as provided in section 14 452A.54.

5. Each vehicle operated into or through Iowa in interstate 15 operations using motor fuel, or special fuel, or electric fuel 16 acquired in any other state shall carry in or on the vehicle a 17 duplicate or evidence of the permit or license required in this 18 section. A fee not to exceed fifty cents shall be charged for 19 each duplicate or other evidence of a permit or license issued.

Sec. 30. Section 452A.54, subsections 1, 2, and 4, Code 19 2019, are amended to read as follows:

1. Fuel tax liability under this subchapter shall be 20 computed on the total number of gallons of each kind of 21 motor fuel and special fuel, and the total number of kilowatt 22 hours of electric fuel, consumed in the operation in Iowa by 23 commercial motor vehicles subject to this subchapter at the 24 same rate for each kind of fuel as would be applicable if taxed 25 under subchapter I of this chapter and section 452A.41. A 26 refund against the fuel tax liability so computed shall be 27 allowed, on excess Iowa motor fuel purchased, in the amount 28 of fuel tax paid at the prevailing rate per gallon set out 29 under subchapter I of this chapter on motor fuel and special
1 fuel, and rate per kilowatt hour set out under section 452A.41
2 on electric fuel, consumed by commercial motor vehicles, the
3 operation of which is subject to this subchapter.
4 2. Notwithstanding any provision of this chapter to the
5 contrary, except as provided in this section, the holder of a
6 permanent international fuel tax agreement permit or license
7 may make application to the state department of transportation
8 for a refund, not later than the last day of the third month
9 following the quarter in which the overpayment of Iowa fuel
10 tax paid on excess purchases of motor fuel or special fuel
11 was reported as provided in section 452A.8, or electric
12 fuel was reported as provided in section 452A.41, and which
13 application is supported by such proof as the state department
14 of transportation may require. The state department of
15 transportation shall refund Iowa fuel tax paid on motor fuel,
16 or special fuel, or electric fuel purchased in excess of the
17 amount consumed by such commercial motor vehicles in their
18 operation on the highways of this state.
19 4. To determine the amount of fuel taxes due under this
20 subchapter and to prevent the evasion thereof, the state
21 department of transportation shall require a quarterly report
22 on forms prescribed by the state department of transportation.
23 It shall be filed not later than the last day of the month
24 following the quarter reported, and each quarter thereafter.
25 These reports shall be required of all persons who have been
26 issued a permit or license under this subchapter and shall
27 cover actual operation and fuel consumption in Iowa on the
28 basis of the permit or license holder’s average consumption
29 of fuel in Iowa, determined by the total miles traveled and
30 the total fuel purchased and consumed for highway use by the
31 permittee’s or licensee’s commercial motor vehicles in the
32 permittee’s or licensee’s entire operation in all states to
33 establish an overall miles per gallon ratio or miles per
34 kilowatt hour ratio, which ratio shall be used to compute the
35 gallons or kilowatt hours used for the miles traveled in Iowa.
Failure to receive a quarterly report or fuel credentials by mail, facsimile transmission, or any other means of delivery does not relieve a person from the person's fuel tax liability or from the requirement to display current fuel credentials.

Sec. 31. Section 452A.57, subsections 3, 5, and 8, Code 2019, are amended to read as follows:

3. "Commercial motor vehicle" means a passenger vehicle that has seats for more than nine passengers in addition to the driver, any road tractor, any truck tractor, or any truck having two or more axles which passenger vehicle, road tractor, truck tractor, or truck is propelled on the public highways by either motor fuel, or special fuel, or electric fuel.

"Commercial motor vehicle" does not include a motor truck with a combined gross weight of less than twenty-six thousand pounds, operated as a part of an identifiable one-way fleet and which is leased for less than thirty days to a lessee for the purpose of moving property which is not owned by the lessor.

5. "Fuel taxes" means the per gallon and per kilowatt excise taxes imposed under subchapters I and III of this chapter, and section 452A.41, with respect to motor fuel, and undyed special fuel, and electric fuel.

8. "Motor vehicle" shall mean and include all vehicles, except those operated on rails, which are propelled by internal combustion engines or electric motors and are of such design as to permit their mobile use on public highways for transporting persons or property. A farm tractor while operated on a farm or for the purpose of hauling farm machinery, equipment, or produce shall not be deemed to be a motor vehicle. "Motor vehicle" shall not include "mobile machinery and equipment" as defined in this section.

Sec. 32. Section 452A.58, subsection 2, Code 2019, is amended to read as follows:

2. A lessor of a commercial motor vehicle shall be deemed a carrier with respect to such vehicles leased to others by the lessor and motor fuel, or special fuel, or electric fuel...
consumed thereby if the lessor supplies or pays for the motor
fuel, or special fuel, or electric fuel consumed by such
vehicle or makes rental or other charges calculated to include
the cost of such fuel.

Sec. 33. Section 452A.59, Code 2019, is amended to read as
follows:

452A.59 Administrative rules.

The department of revenue and the state department
of transportation are authorized and empowered to adopt
rules under chapter 17A, relating to the administration
and enforcement of this chapter as deemed necessary by the
departments. However, when in the opinion of the director
it is necessary for the efficient administration of this
chapter, the director may regard persons in possession of motor
fuel, special fuel, biofuel, alcohol, or alcohol derivative
substances as blenders, dealers, eligible purchasers,
exporters, importers, restrictive suppliers, suppliers,
terminal operators, or nonterminal storage facility operators,
or persons in possession of electric fuel as electric fuel
dealers or users.

Sec. 34. Section 452A.60, subsection 1, Code 2019, is
amended to read as follows:

1. The department of revenue or the state department of
transportation shall prescribe and furnish all forms, as
applicable, upon which reports, returns, and applications shall
be made and claims for refund presented under this chapter
and may prescribe forms of record to be kept by suppliers,
restrictive suppliers, importers, exporters, blenders, common
carriers, contract carriers, licensed compressed natural gas,
liquefied natural gas, and liquefied petroleum gas dealers
and users, licensed electric fuel dealers and users, terminal
operators, nonterminal storage facility operations, and
interstate commercial motor vehicle operators.

Sec. 35. Section 452A.62, subsection 1, paragraph a, Code
2019, is amended by adding the following new subparagraph:
NEW SUBPARAGRAPH. (5) A licensed electric fuel dealer or user or person supplying electric fuel to a licensed electric fuel dealer or user.

Sec. 36. Section 452A.62, subsection 1, paragraph b, Code 2019, is amended to read as follows:

b. To examine the records, books, papers, receipts, and invoices of any distributor, supplier, restrictive supplier, importer, blender, exporter, terminal operator, nonterminal storage facility, licensed compressed natural gas, liquefied natural gas, or liquefied petroleum gas dealer or user, licensed electric fuel dealer or user, or any other person who possesses fuel upon which the tax has not been paid to determine financial responsibility for the payment of the taxes imposed by this chapter.

Sec. 37. Section 452A.63, subsection 1, Code 2019, is amended to read as follows:

1. All information obtained by the department of revenue or the state department of transportation from the examining of reports, returns, or records required to be filed or kept under this chapter shall be treated as confidential and shall not be divulged except to other state officers, a member or members of the general assembly, or any duly appointed committee of either or both houses of the general assembly, or to a representative of the state having some responsibility in connection with the collection of the taxes imposed or in proceedings brought under this chapter. The appropriate state agency may make available to the public on or before forty-five days following the last day of the month in which the tax is required to be paid, the names of suppliers, restrictive suppliers, and importers and as to each of them the total gallons of motor fuel, undyed special fuel, and ethanol blended gasoline withdrawn from terminals or imported into the state during that month. The department of revenue or the state department of transportation, upon request of officials entrusted with enforcement of the motor fuel tax laws of the federal government or any other state, may
forward to these officials any pertinent information which the
appropriate state agency may have relative to motor fuel, and
special fuel, and electric fuel, provided the officials of the
other state furnish like information.
Sec. 38. Section 452A.73, Code 2019, is amended to read as
follows:
452A.73 Embezzlement of fuel tax money — penalty.
Every sale of motor fuel in this state, and every sale
of undyed special fuel dispensed by the seller into a fuel
supply tank of a motor vehicle, and every sale of electric
fuel dispensed by the seller into the battery or other energy
storage device of an electric motor vehicle shall, unless
otherwise provided, be presumed to include as a part of the
purchase price the fuel tax due the state of Iowa under the
provisions of this chapter. Every person collecting fuel tax
money as part of the selling price of motor fuel, or undyed
special fuel, or electric fuel shall hold the tax money in
trust for the state of Iowa unless the fuel tax on the fuel
has been previously paid to the state of Iowa. Any person
receiving fuel tax money in trust and failing to remit it to
the department of revenue on or before time required shall be
guilty of theft.
Sec. 39. Section 452A.74, subsection 1, paragraphs c, e, and
f, Code 2019, are amended to read as follows:
c. For any seller to issue or any purchaser to receive
and retain any incorrect or false invoice or sales ticket in
connection with the sale or purchase of motor fuel, or undyed
special fuel, or electric fuel.
e. For any person to act as a supplier, restrictive
supplier, importer, exporter, blender, or compressed natural
gas, liquefied natural gas, or liquefied petroleum gas dealer
or user, or electric fuel dealer or user without the required
license.
f. For any person to use motor fuel, undyed special fuel,
or dyed special fuel in the fuel supply tank of a vehicle, or
electric fuel in the battery or other energy storage device of an electric vehicle, with respect to which the person knowingly has not paid or had charged to the person's account with a distributor or dealer, or with respect to which the person does not, within the time required in this chapter, report and pay the applicable fuel tax.

Sec. 40. Section 452A.74, subsection 1, Code 2019, is amended by adding the following new paragraph:

NEW PARAGRAPH. h. For any licensed electric fuel dealer or user to dispense electric fuel into the battery or other energy storage device of any electric motor vehicle without collecting the fuel tax.

Sec. 41. Section 452A.76, subsection 2, Code 2019, is amended to read as follows:

2. Authority is given to the department of revenue, the state department of transportation, the department of public safety, and any peace officer as requested by such departments to enforce the provisions of subchapter I, sections 452A.40 through 452A.44, and this subchapter of this chapter. The department of revenue shall adopt rules providing for enforcement under subchapter I and this subchapter of this chapter regarding the use of motor fuel or special fuel in implements of husbandry. Enforcement personnel or requested peace officers are authorized to stop a conveyance suspected to be illegally transporting motor fuel or special fuel on the highways, to investigate the cargo, and also have the authority to inspect or test the fuel in the supply tank of a conveyance to determine if legal fuel is being used to power the conveyance. The operator of any vehicle transporting motor fuel or special fuel shall, upon request, produce and offer for inspection the manifest or loading and delivery invoices pertaining to the load and trip in question and shall permit the authority to inspect and measure the contents of the vehicle. If the vehicle operator fails to produce the evidence or if, when produced, the evidence fails to contain
1 the required information and it appears that there is an
2 attempt to evade payment of the fuel tax, the vehicle operator
3 will be subject to the penalty provisions contained in section
4 452A.74A.
5 Sec. 42. Section 452A.78, Code 2019, is amended to read as
6 follows:
7 452A.78 Other remedies available.
8 The special remedies provided under the provisions of this
9 chapter to enable the state to collect *motor a fuel excise tax
10 imposed by this chapter* shall not be construed as depriving the
11 state of any other remedy it might have either at law or in
12 equity independent of *this chapter*. The state shall have the
13 right to maintain an action at law for the collection of said
14 taxes required to be paid herein and in connection therewith
15 shall be entitled to a writ of attachment without bond.
16 Sec. 43. Section 452A.79, Code 2019, is amended to read as
17 follows:
18 452A.79 Use of revenue.
19 Except as provided in *sections 452A.79A, 452A.82, and*
20 452A.84, the net proceeds of the excise tax on the diesel
21 special fuel, and the excise tax on motor fuel and other
22 special fuel, the excise tax on electric fuel, and penalties
23 collected under the provision of *this chapter*, shall be
24 credited to the road use tax fund.
25 Sec. 44. Section 452A.80, Code 2019, is amended to read as
26 follows:
27 452A.80 Microfilm or photographic copies — originals
28 destroyed.
29 The appropriate state agency shall have the power and
30 authority to record, copy, or reproduce by any photographic,
31 photostatic, microfilm, microcard, miniature photographic,
32 or other process which accurately reproduces or forms a
33 durable medium for so reproducing the original of any forms
34 or records pertaining to *motor a fuel tax or undyed special
35 fuel—tax imposed by this chapter*, or any paper or document with
1 respect to refund of the tax. If the forms and records have
2 been reproduced in accordance with this section, the state
3 agency may destroy the originals and the reproductions shall
4 be competent evidence in any court in accordance with the
5 provision of section 622.30.
6 Sec. 45. CODE EDITOR DIRECTIVE. The Code editor shall
7 designate sections 452A.40 through 452A.44, as enacted by
8 this division of this Act, as a new subchapter within chapter
9 452A, and may redesignate the new and preexisting subchapters,
10 replace references to sections 452A.40 through 452A.44
11 with references to the new subchapter, and correct internal
12 references as necessary, including references in subchapter
13 headnotes.
14 Sec. 46. EFFECTIVE DATE. This division of this Act takes
15 effect July 1, 2023.