

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 23

Special Session No. 1 of
2007-2008

INTRODUCED BY GORDNER, SCARNATI, McILHINNEY, PIPPY, RHOADES,
EICHELBERGER, BOSCOLA, ERICKSON, DINNIMAN, FOLMER, O'PAKE,
GREENLEAF, TARTAGLIONE, WAUGH, COSTA, WONDERLING, STACK,
D. WHITE, RAFFERTY, ROBBINS AND REGOLA, OCTOBER 16, 2007

REFERRED TO ENERGY POLICIES, OCTOBER 16, 2007

AN ACT

1 Amending Title 75 (Vehicles) of the Pennsylvania Consolidated
2 Statutes, further providing, in liquid fuels tax, for
3 definitions and for imposition of tax, exemptions and
4 deductions.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 9002 of Title 75 of the Pennsylvania
8 Consolidated Statutes is amended by adding definitions to read:
9 § 9002. Definitions.

10 The following words and phrases when used in this chapter
11 shall have the meanings given to them in this section unless the
12 context clearly indicates otherwise:

13 * * *

14 "Biodiesel." A fuel comprised of mono-alkyl esters of long
15 chain fatty acids derived from vegetable oils or animal fats,
16 designated B100, and meeting the requirements of the American
17 Society of Testing Materials D 6751.

18 * * *

1 "Ethanol." Ethyl alcohol, a flammable liquid having the
2 formula C₂H₅CH₃, used or sold for the purpose of blending or
3 mixing with gasoline for use in motor vehicles, boats,
4 motorboats or watercraft, and commonly or commercially known or
5 sold as ethanol or ethyl alcohol.

6 * * *

7 Section 2. Section 9004(a) and (d) of Title 75 are amended
8 to read:

9 § 9004. Imposition of tax, exemptions and deductions.

10 (a) Liquid fuels and fuels tax.--[A]

11 (1) Except as provided in paragraphs (2) and (3), a
12 permanent State tax of 12¢ a gallon or fractional part
13 thereof is imposed and assessed upon all liquid fuels and
14 fuels used or sold and delivered by distributors within this
15 Commonwealth.

16 (2) A permanent State tax of 9¢ a gallon or fractional
17 part thereof is imposed and assessed upon all liquid fuels
18 containing at least 15% but not more than 84% ethanol.

19 (3) A permanent State tax of 9¢ a gallon or fractional
20 part thereof is imposed and assessed upon all liquid fuels
21 containing 20% or more biodiesel.

22 * * *

23 (d) Alternative fuels tax.--

24 (1) [A] Except as provided in paragraph (1.1), a tax is
25 hereby imposed upon alternative fuels used to propel vehicles
26 of any kind or character on the public highways. The rate of
27 tax applicable to each alternative fuel shall be computed by
28 the department on a gallon equivalent basis and shall be
29 published as necessary by notice in the Pennsylvania
30 Bulletin.

1 (1.1) A permanent State tax of \$0.252 on a cents-per-
2 gallon equivalent basis or fractional part thereof is imposed
3 and assessed upon all liquid fuels containing 85% or more
4 ethanol.

5 (2) The tax imposed in this section upon alternative
6 fuels shall be reported and paid to the department by each
7 alternative fuel dealer-user rather than by distributors
8 under this chapter similar to the manner in which
9 distributors are required to report and pay the tax on liquid
10 fuels and fuels, and the licensing and bonding provisions of
11 this chapter shall be applicable to alternative fuel dealer-
12 users. The department may permit alternative fuel dealer-
13 users to report the tax due for reporting periods greater
14 than one month up to an annual basis provided the tax is
15 prepaid on the estimated amount of alternative fuel to be
16 used in such extended period. The bonding requirements may be
17 waived by the department where the tax has been prepaid.

18 * * *

19 Section 3. This act shall take effect immediately.