

1 **alternative fuel, and electric fuel** and the collection and payment
 2 of the tax imposed by this act; to prescribe fees; to prescribe
 3 certain other powers and duties of certain state agencies and other
 4 persons; to provide for exemptions and refunds and for the
 5 disposition of the proceeds of this tax; to provide for
 6 appropriations from the proceeds of this tax; to prescribe remedies
 7 and penalties for the violation of this act; **to allow the**
 8 **promulgation of rules;** and to repeal acts and parts of acts.

9 Sec. 53. (1) A person shall not engage in a business activity
 10 in this state ~~where~~ **for which** a license is required by this act
 11 unless the person is licensed under this act.

12 (2) A person required to be licensed under this act shall
 13 apply for a license on a form or in a format prescribed by the
 14 department.

15 (3) An application for a license under this act may contain
 16 any information the department may reasonably require to administer
 17 this act including the applicant's federal identification number.

18 (4) The following persons currently licensed on April 1, 2001
 19 are not required to obtain a new license under this act and ~~shall~~
 20 ~~be~~ **are** considered licensed under this act:

21 (a) A person licensed in this state as a supplier on April 1,
 22 2001 ~~shall be~~ **is** considered licensed as a supplier under this act
 23 but only if the person is a terminal operator or a position holder
 24 in a terminal on April 1, 2001.

25 (b) A wholesale distributor who on April 1, 2001 possesses a
 26 valid exemption certificate issued under ~~former~~ section 12 of
 27 **former** 1927 PA 150 ~~shall be~~ **is** considered licensed as a fuel vendor
 28 under this act.

29 (c) A person licensed in this state as an exporter on April 1,



1 2001 ~~shall be~~ **is** considered licensed as an exporter under this act.

2 (d) A person licensed in this state as a liquid fuel hauler on
3 April 1, 2001 ~~shall be~~ **is** considered licensed as a transporter
4 under this act.

5 (e) A person licensed in this state as a retail dealer of
6 diesel motor fuel on April 1, 2001 ~~shall be~~ **is** considered licensed
7 as a retail diesel dealer under this act.

8 (5) A person considered licensed under subsection (4) is
9 subject to all of the provisions of this act except those requiring
10 an application for a new license.

11 (6) Except as otherwise provided in this act, a person who is
12 engaged in more than 1 business activity for which a license is
13 required under this act shall be licensed for each business
14 activity.

15 (7) A person who is licensed as a supplier is not required to
16 obtain a separate license for any other business activity for which
17 a license is required under this act except as a retail diesel
18 dealer, **as an electric fuel commercial user under sections 157 to**
19 **158a**, or as an alternative fuel dealer or alternative fuel
20 commercial user under sections 151 to 155.

21 (8) A person who negligently violates this section is subject
22 to a civil penalty of \$1,000.00.

23 (9) A person who knowingly violates or knowingly aids and
24 abets another to violate this section is guilty of a felony.

25 **Sec. 157. As used in this section and sections 158 and 158a:**

26 (a) **"Electric fuel" means electricity.**

27 (b) **"Electric fuel commercial user" means an intrastate motor**
28 **carrier that is a consumer or end user of electric fuel to propel a**
29 **qualified commercial motor vehicle on the public roads and highways**



1 of this state.

2 (c) "Electric vehicle" means a vehicle that is propelled
3 solely by electrical energy and that is not capable of using
4 gasoline, diesel fuel, or alternative fuel to propel the vehicle.

5 (d) "Intrastate motor carrier" means a person that is not
6 licensed or required to be licensed under the International Fuel
7 Tax Agreement described in section 2a of the motor carrier fuel tax
8 act, 1980 PA 119, MCL 207.212a, and that operates or causes to be
9 operated a qualified commercial motor vehicle on a public road or
10 highway in this state only.

11 (e) "Plug-in hybrid electric vehicle" means a vehicle that can
12 use batteries to power an electric motor and use another fuel, such
13 as gasoline or diesel, to power an internal combustion engine or
14 other propulsion source, and that may use electricity from the grid
15 to run the vehicle some or all of the time.

16 (f) "Qualified commercial motor vehicle", subject to
17 subdivision (g), means an electric vehicle or plug-in hybrid
18 electric vehicle used, designed, or maintained for transportation
19 of persons or property and to which 1 of the following applies:

20 (i) Has 3 or more axles regardless of weight.

21 (ii) Has 2 axles and a gross vehicle weight or registered gross
22 vehicle weight exceeding 26,000 pounds or 11,797 kilograms.

23 (iii) Is used in a combination of vehicles, if the weight of
24 that combination exceeds a gross vehicle weight or registered gross
25 vehicle weight of 26,000 pounds or 11,797 kilograms.

26 (g) Qualified commercial motor vehicle does not include a road
27 tractor, truck, or truck tractor owned by a farmer and used in
28 connection with the farmer's farming operation and not used for
29 hire, a school bus, a bus defined and certificated under the motor

1 bus transportation act, 1982 PA 432, MCL 474.101 to 474.139, or a
2 bus operated by a public transit agency operating under any of the
3 following:

4 (i) A county, city, township, or village as provided by law, or
5 other authority incorporated under 1963 PA 55, MCL 124.351 to
6 124.359. Each authority and governmental agency incorporated under
7 1963 PA 55, MCL 124.351 to 124.359, has the exclusive jurisdiction
8 to determine its own contemplated routes, hours of service,
9 estimated transit vehicle miles, costs of public transportation
10 services, and projected capital improvements or projects within its
11 service area.

12 (ii) An authority incorporated under the metropolitan
13 transportation authorities act of 1967, 1967 PA 204, MCL 124.401 to
14 124.426, or that operates a transportation service pursuant to an
15 interlocal agreement under the urban cooperation act of 1967, 1967
16 (Ex Sess) PA 7, MCL 124.501 to 124.512.

17 (iii) A contract entered into under 1967 (Ex Sess) PA 8, MCL
18 124.531 to 124.536, or 1951 PA 35, MCL 124.1 to 124.13.

19 (iv) An authority incorporated under the public transportation
20 authority act, 1986 PA 196, MCL 124.451 to 124.479, or a nonprofit
21 corporation organized under the nonprofit corporation act, 1982 PA
22 162, MCL 450.2101 to 450.3192, that provides transportation
23 services.

24 (v) An authority financing public improvements to
25 transportation systems under the revenue bond act of 1933, 1933 PA
26 94, MCL 141.101 to 141.140.

27 Sec. 158. (1) Beginning January 1, 2028, an electric fuel
28 commercial user shall pay a tax calculated on the amount of
29 electric fuel consumed by the electric fuel commercial user's

1 qualified commercial motor vehicles on the public roads or highways
2 in this state. An electric fuel commercial user must file with the
3 department, on or before the twentieth day of each month, a report
4 that includes the amount of electric fuel consumed by the electric
5 fuel commercial user's qualified commercial motor vehicles on the
6 public roads or highways in this state during the immediately
7 preceding calendar month together with any other information the
8 department requires. An electric fuel commercial user shall pay the
9 full amount of the tax due to the department under this section at
10 the time of filing the required report.

11 (2) The amount of the tax owed under this section for a
12 calendar month must be equal to the electric fuel rate multiplied
13 by the number of miles driven on this state's public roads during
14 that month by the electric fuel commercial user's qualified
15 commercial vehicles that consume electric fuel.

16 (3) The electric fuel rate must be calculated by dividing the
17 applicable rate per gallon prescribed under section 8(1) for motor
18 fuel for the same tax period by the electric fuel commercial user's
19 average miles per gallon equivalent for all qualified commercial
20 vehicles in the electric fuel commercial user's fleet that consume
21 electric fuel. As used in this subsection, "miles per gallon
22 equivalent" means the energy consumed, per kilowatt hour or
23 fraction of a kilowatt hour, by a qualified commercial motor
24 vehicle to travel 1 mile.

25 (4) The tax imposed under this section does not apply to
26 electric fuel used in this state for the operation of a motor
27 vehicle other than a qualified commercial motor vehicle.

28 (5) The tax imposed on the use or consumption of electric fuel
29 under this section is imposed in lieu of all other taxes imposed or

1 to be imposed on the use of electric fuel by this state or a
2 political subdivision of this state, except the taxes imposed by
3 the motor carrier fuel tax act, 1980 PA 119, MCL 207.211 to
4 207.234. The tax imposed under this section on the use or
5 consumption of electric fuel does not apply to the use or
6 consumption of electric fuel that is subject to the tax imposed
7 under section 2 of the motor carrier fuel tax act, 1980 PA 119, MCL
8 207.212.

9 Sec. 158a. (1) A person shall not act as an electric fuel
10 commercial user unless the person is licensed under this act.

11 (2) When applying for the license, an applicant for an
12 electric fuel commercial user license shall pay to the department a
13 license fee of \$50.00.

14 (3) An applicant for a license or a licensee under this
15 section is subject to the general licensing and bonding
16 requirements of this act.

17 Enacting section 1. This amendatory act does not take effect
18 unless all of the following bills of the 103rd Legislature are
19 enacted into law:

20 (a) House Bill No. 5433.

21 (b) House Bill No. 5434.