

HCS HB 694 -- MOTOR FUEL TAX (Redmon)

COMMITTEE OF ORIGIN: Standing Committee on Transportation

This bill creates a graduated tax system for propane fueled vehicles. Tax rates are specified in the bill and the taxes are collected and used for the same purposes as the state road tax. Propane fueled vehicles may continue to apply for and use alternative fuel decals in lieu of paying the tax. No fuel decal is required for vehicles that fuel at stations collecting the new propane tax, however, there is no refund policy for vehicles with fuel decals that choose to obtain fuel at unattended stations where tax is automatically collected at the point of sale. This bill also requires owners of new electric hybrid cars with a model year of 2018 or newer to pay one-half of the stated annual alternative fuel decal fee for recharging at electrical power sources.

Political subdivisions that enact local sales or excise taxes after January 1, 2017, under Article IV, Section 30(a) of the Constitution of Missouri are required to use 90% of such funds on the construction, maintenance, or repair of roads and no more than 10% of the tax for policing, signing, lighting, and cleaning roads or streets.