

HB 694 -- TAXATION OF MOTOR FUEL

SPONSOR: Francis

Beginning January 1, 2022, this bill increases the tax on motor fuel by \$0.02 per gallon. Additional increases of \$0.02 per gallon will take effect each following January 1st until the tax on motor fuel is \$0.27 per gallon on January 1, 2026.

Beginning upon the effective date of this bill, biodiesel blended with motor fuel with at least 6% but less than 10% biodiesel content in the motor fuel will be taxed at \$0.17 per gallon. Beginning on January 1, 2024, this bill increases the tax on biodiesel blended with motor fuel with at least 6% but less than 10% biodiesel content in the motor fuel to \$0.20 per gallon. Additional increases of \$0.02 per gallon will take effect each following January 1st until the tax on biodiesel blended with motor fuel with at least 6% but less than 10% biodiesel content in the motor fuel is \$0.24 per gallon on January 1, 2026.

Beginning upon the effective date of this bill, biodiesel blended with motor fuel with at least 10% biodiesel content in the motor fuel will be taxed at \$0.17 per gallon. Beginning on January 1, 2025, this bill increases the tax on biodiesel blended with motor fuel with at least 10% biodiesel content in the motor fuel to \$0.19 per gallon. An additional increase of \$0.02 per gallon will take effect on the following January 1st and the tax on biodiesel blended with motor fuel with at least 10% biodiesel content in the motor fuel will be \$0.21 per gallon on January 1, 2026.

These provisions will not become effective unless approved by a majority of the qualified voters of this state.