

CHAPTER.....

AN ACT relating to special fuels; revising the definition of “special fuel dealer” for the purpose of provisions relating to taxes imposed on special fuels; revising the amount of the tax imposed on the sale or use of liquefied petroleum gas and compressed natural gas; revising provisions governing the conversion of volumetric measurements of liquefied petroleum gas and liquefied natural gas for the purpose of the taxation of the sale or use of liquefied petroleum gas and liquefied natural gas; revising provisions governing the content of certain tax returns filed with the Department of Motor Vehicles by a special fuel dealer or special fuel manufacturer; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Section 1 of this bill revises the definition of “special fuel dealer” for the purposes of imposing taxes on the sale or use of special fuels in this State to specify that the term includes a person who sells liquefied natural gas and delivers such fuel into the tank for the supply of fuel of a motor vehicle that is not owned or controlled by that person. **Section 2** of this bill revises the amount of the tax imposed on the sale or use of liquefied petroleum gas and compressed natural gas.

Section 3 of this bill amends the factors for the conversion of volumetric measurements for purposes of taxing the sale or use of liquefied petroleum gas and liquefied natural gas.

Section 4 of this bill provides that the tax returns which must be filed with the Department of Motor Vehicles by a special fuel dealer or special fuel manufacturer must report all quantities of special fuel in gallons.

EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 366.062 is hereby amended to read as follows:
366.062 “Special fuel dealer” means a person who sells compressed natural gas , *liquefied natural gas* or liquefied petroleum gas and delivers any part thereof into the tank for the supply of fuel of a motor vehicle that is not owned or controlled by that person.

Sec. 2. NRS 366.190 is hereby amended to read as follows:
366.190 1. Except as otherwise provided in subsection 2, a tax is hereby imposed at the rate of 27 cents per gallon on the sale or use of special fuels, including, without limitation:



- (a) Diesel;
- (b) Biodiesel;
- (c) Biodiesel blend;
- (d) Biomass-based diesel;
- (e) Biomass-based diesel blend; and
- (f) Liquefied natural gas.

2. A tax is hereby imposed : ~~at:~~

(a) ~~The rate of 19 cents per gallon on~~ *On* the sale or use of an emulsion of water-phased hydrocarbon fuel ~~at:~~ *at the rate of 19 cents per gallon;*

(b) ~~The rate of 22 cents per gallon on~~ *On* the sale or use of liquefied petroleum gas ~~at:~~ *at the rate of 6.4 cents per gallon;* and

(c) ~~The rate of 21 cents per gallon on~~ *On* the sale or use of compressed natural gas ~~at:~~ *at the rate of 21 cents per gallon.*

Sec. 3. NRS 366.197 is hereby amended to read as follows:

366.197 For the purpose of taxing the sale or use of:

1. Compressed natural gas, 126.67 cubic feet of natural gas or 5.660 pounds of natural gas shall be deemed to equal 1 gallon of special fuel.

2. Liquefied petroleum gas, ~~125~~ *36.3* cubic feet *or 4.2 pounds* of ~~natural gas or~~ liquefied petroleum gas shall be deemed to equal 1 gallon of special fuel.

3. *Liquefied natural gas, 6.06 pounds of liquefied natural gas shall be deemed to equal 1 gallon of special fuel.*

Sec. 4. NRS 366.386 is hereby amended to read as follows:

366.386 1. On or before the last day of the month following each reporting period, a special fuel dealer or special fuel manufacturer shall file with the Department a tax return for the preceding reporting period, regardless of the amount of tax collected, on a form prescribed by the Department.

2. The tax return must:

(a) Include information required by the Department for the administration and enforcement of this chapter; ~~and~~

(b) *Report all quantities of special fuel in gallons; and*

(c) Be accompanied by a remittance, payable to the Department, for the amount of the tax due.

3. Except as otherwise provided in this subsection, the reporting period for a special fuel dealer or special fuel manufacturer is a calendar month. Upon application by a special fuel dealer or special fuel manufacturer, the Department may assign to the special fuel dealer or special fuel manufacturer for a specific calendar year:



(a) A reporting period consisting of that entire calendar year if the Department estimates, based upon the tax returns filed by the special fuel dealer or special fuel manufacturer for the preceding calendar year, that the special fuel dealer or special fuel manufacturer will sell not more than 200 gallons of special fuel in this State each calendar month of that reporting period.

(b) Two reporting periods consisting of 6 consecutive calendar months, commencing on the first day of January and July, respectively, if the Department estimates, based upon the tax returns filed by the special fuel dealer or special fuel manufacturer for the preceding calendar year, that the special fuel dealer or special fuel manufacturer will sell more than 200 gallons but not more than 500 gallons of special fuel in this State each calendar month during those reporting periods.

(c) Four reporting periods consisting of 3 consecutive months, commencing on the first day of January, April, July and October, respectively, if the Department estimates, based upon the tax returns filed by the special fuel dealer or special fuel manufacturer for the preceding calendar year, that the special fuel dealer or special fuel manufacturer will sell more than 500 gallons but less than 5,000 gallons of special fuel in this State each calendar month during those reporting periods.

Sec. 5. This act becomes effective on July 1, 2015.

