

2015 Regular Session

SENATE BILL NO. 271

BY SENATORS WHITE AND ADLEY AND REPRESENTATIVE ST. GERMAIN

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

TAX/TAXATION. Provides for equivalency of the special fuels tax with the gasoline tax on motor vehicles that operate on the highways using liquefied natural gas, liquefied petroleum gas, or compressed natural gas. (8/1/15)

1 AN ACT

2 To amend and reenact R.S. 3:4602(12.1), the introductory paragraph of R.S. 47:818.2, and

3 R.S. 47:818.2(18), (22), (43), (44), and (63), to enact R.S. 3:4690.1 and R.S.

4 47:818.111 through 818.133, and to repeal R.S. 47:818.101 through 104, relative to

5 taxes on petroleum products; to provide for taxes on special fuels; to levy taxes on

6 special fuels according to energy content equivalencies; to provide for licensing,

7 inspection, tax collection, and enforcement; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. The introductory paragraph of R.S. 47:818.2 and R.S. 47:812(18), (22),

10 (43), (44), and (63) are hereby amended and reenacted and R.S. 47:818.111 through 818:133

11 are hereby enacted to read as follows:

12 §818.2. Definitions

13 As used in this Part, unless the context requires otherwise, the following

14 terms have the ~~meaning~~ **meanings** ascribed herein:

15 \* \* \*

16 (18) "Compressed natural gas" means natural gas that has been compressed

17 ~~and dispensed into motor fuel storage containers~~ and is advertised, offered for sale,

1 suitable for use, **sold**, or used as an engine motor fuel.

2 \* \* \*

3 (22) "Distributor" means any person who purchases ~~their~~ motor fuel from a  
4 supplier, permissive supplier, or licensed distributor in this state for subsequent sale  
5 and distribution at wholesale to a licensed distributor, retail dealer, or bulk consumer.

6 \* \* \*

7 (43) "Liquefied natural gas" means natural gas that has been cooled to ~~about~~  
8 ~~a negative 160 degrees Celsius for storage or shipment as a liquid in high-pressure~~  
9 ~~cryogenic containers~~ **a liquid state and is advertised, offered for sale, sold,**  
10 **suitable for use, or used as an engine motor fuel.**

11 (44) "Liquefied petroleum gas" means the gas derived from petroleum or  
12 natural gas which is in a gaseous state at normal atmospheric temperature and  
13 pressure and maintained in the liquid state at normal atmospheric temperature by  
14 means of suitable pressure ~~and which is dispensed into motor fuel storage containers~~  
15 ~~and~~ **is** advertised, offered for sale, **sold**, suitable for use, or used as an engine motor  
16 fuel. The term "liquified petroleum gas" or "LPG" as used in this Part means  
17 propane.

18 \* \* \*

19 (63) ~~"Special fuel decal user" means the owner or operator of a motor vehicle~~  
20 ~~that is propelled by an internal combustion engine or motor capable of using~~  
21 ~~liquefied natural gas, liquefied petroleum gas, or compressed natural gas as fuel.~~

22 **"Special fuel fleet user" means a person who produces compressed natural gas,**  
23 **liquified natural gas, or liquified petroleum gas or who maintains storage**  
24 **facilities for such fuels and who delivers all or part of the fuel produced or**  
25 **stored into the fuel supply tank of a motor vehicle.**

26 \* \* \*

27 **§818.111. Taxes levied; rates; unit of measurement**

28 **A. There is hereby levied a tax of sixteen cents per gallon or gallon**  
29 **equivalent on all special fuels including compressed natural gas as defined by**

1 R.S. 47:818.2(18), liquefied natural gas as defined by R.S. 47:818.2(43), and  
2 liquefied petroleum gas as defined by R.S. 47:818.2(44) sold, used, or consumed  
3 in the state of Louisiana for the operation of motor vehicles licensed or required  
4 to be licensed for highway use.

5 B. The taxes herein levied are in addition to the tax levied in R.S.  
6 47:820.1.

7 C. The tax is to be computed, collected, reported, and paid as provided  
8 in this Subpart.

9 D. Until December 31, 2015, the tax levied pursuant to the provisions of  
10 this Section shall be assessed per gallon. Beginning January 1, 2016, the tax  
11 levied pursuant to the provisions of this Section shall be converted from a tax  
12 levied per gallon on such fuel to a tax levied per gallon equivalent determined  
13 by the special fuel's energy content as follows:

14 (1) Gasoline gallon equivalent for compressed natural gas. The gasoline  
15 gallon equivalent for compressed natural gas shall be equal to 5.660 pounds of  
16 compressed natural gas and shall be the unit of measurement for purposes of  
17 the tax levied pursuant to the provisions of this Section if the natural gas  
18 dispenser lists the price in gasoline gallon equivalents and the natural gas is  
19 supplied to the dispenser from a pipeline or other non-liquefied source.

20 (2) Diesel gallon equivalent for liquified natural gas. The diesel gallon  
21 equivalent for liquified natural gas shall be equal to 6.060 pounds of liquified  
22 natural gas and shall be the unit of measurement for purposes of the tax levied  
23 pursuant to the provisions of this Section if the natural gas dispenser lists the  
24 price in diesel gallon equivalents and the natural gas is supplied to the dispenser  
25 from a liquified source.

26 (3) Diesel gallon equivalent for liquified petroleum gas. The diesel gallon  
27 equivalent for liquified petroleum gas shall be equal to 4.2 pounds of liquified  
28 petroleum gas and shall be the unit of measurement for purposes of the tax  
29 levied pursuant to the provisions of this Section if the petroleum gas dispenser

1 lists the price in diesel gallon equivalents and the petroleum gas is supplied to  
2 the dispenser from a liquified source.

3 E. Beginning January 1, 2016, the tax levied pursuant to the provisions  
4 of this Section shall be levied and collected in the manner set forth in this  
5 Subpart and shall not be levied or collected pursuant to a decal program or on  
6 an annual basis.

7 §818.112. Imposition of tax

8 A. A tax is imposed on the sale of compressed natural gas, liquefied  
9 natural gas, or liquefied petroleum gas delivered into the fuel supply tank of a  
10 motor vehicle in connection with a sale of the compressed natural gas, liquefied  
11 natural gas, or liquefied petroleum gas. The person or entity possessing a  
12 compressed natural gas, liquified natural gas, or liquified petroleum gas license  
13 shall be considered a dealer for purposes of imposition of the tax levied on such  
14 fuels and shall be the party liable for the tax imposed in this Subpart. The  
15 dealer shall add the amount of the tax to the selling price of the fuel so that the  
16 tax is paid by the ultimate consumer or purchaser of the fuel. The amount of  
17 the tax shall become part of the sales price of the fuel, it shall be considered a  
18 debt of the purchaser to the dealer, and, if unpaid, it shall be recoverable at law  
19 in the same manner as the original sales price. The dealer shall provide an  
20 invoice or receipt to the purchaser that states the rate and amount of tax added  
21 to the selling price or that indicates that no tax was added to the selling price.

22 B. A tax is imposed on the delivery of compressed natural gas, liquefied  
23 natural gas, or liquefied petroleum gas into the fuel supply tank of a motor  
24 vehicle by a special fuel fleet user or other dealer not in connection with a sale  
25 of the compressed natural gas, liquefied natural gas, or liquefied petroleum gas.  
26 The special fuel fleet user or other dealer shall be liable for the tax imposed  
27 under this Subpart. The dealer shall add the amount of the tax to the selling  
28 price of the fuel so that the tax is paid by the ultimate consumer or purchaser  
29 of the fuel. The amount of the tax shall become part of the sales price of the

1 fuel, it shall be considered a debt of the purchaser to the dealer, and, if unpaid,  
2 it shall be recoverable at law in the same manner as the original sales price. The  
3 dealer shall provide an invoice or receipt to the purchaser that states the rate  
4 and amount of tax added to the selling price or indicates that no tax was added  
5 to the selling price.

6 §818.113. Presumption of use; backup tax

7 A. All compressed natural gas, liquefied natural gas, and liquefied  
8 petroleum gas sold by a special fuels dealer and delivered into the fuel supply  
9 tank of a motor vehicle is presumed to be subject to taxation, and the dealer is  
10 liable for the tax unless the dealer maintains adequate records to establish that  
11 the fuel was exempt from the tax.

12 B. All compressed natural gas, liquefied natural gas, and liquefied  
13 petroleum gas delivered into the fuel supply tank of a motor vehicle by a special  
14 fuel fleet user or other special fuels dealer not in connection with a sale is  
15 presumed to be subject to taxation, and the special fuel fleet user or other dealer  
16 is liable for the tax unless the special fuel fleet user or other dealer maintains  
17 adequate records to establish that the fuel was exempt from the tax.

18 C. The tax levied pursuant to the provisions of this Subpart shall be due  
19 in all of the following circumstances:

20 (1) If a person obtains a refund of tax on compressed natural gas,  
21 liquefied natural gas, or liquefied petroleum gas by claiming the fuel was used  
22 for an exempt purpose, but actually used the fuel for a taxable purpose.

23 (2) If a person operates a motor vehicle on a highway using compressed  
24 natural gas, liquefied natural gas, or liquefied petroleum gas and the tax has not  
25 been paid on the special fuel. If the person operating the motor vehicle is not  
26 the owner or lessee of the motor vehicle, both the owner or lessee and the  
27 operator are liable for the tax.

28 (3) If a person sells or delivers compressed natural gas, liquefied natural  
29 gas, or liquefied petroleum gas that is delivered into the fuel supply tank of a

1 motor vehicle, on which tax was not paid, and the person knew or had reason  
2 to know that the fuel would be used for a taxable purpose. The tax due pursuant  
3 to the provisions of this Paragraph shall also be imposed on the ultimate  
4 consumer.

5 D. The tax liability imposed by this Section shall be in addition to any  
6 other penalty imposed under this Subpart.

7 §818.114. Special fuel dealer's license; application procedure

8 A. A person may not sell or deliver compressed natural gas, liquefied  
9 natural gas, or liquefied petroleum gas that is delivered into the fuel supply tank  
10 of a motor vehicle and on which tax is imposed unless the person holds a  
11 compressed natural gas, liquefied natural gas, or liquefied petroleum gas special  
12 fuel dealer's license issued by the secretary.

13 B. In order to apply for a special fuel dealer's license, an applicant shall  
14 submit an application to the Department of Revenue on a form provided by the  
15 secretary and shall furnish a bond as required in R.S. 47:818.118 in an amount  
16 applicable to the license for which the applicant is applying. Applications shall  
17 include all of the following:

18 (1) The legal name of the applicant and name under which the applicant  
19 transacts or intends to transact business.

20 (2) The mailing and physical address of the applicant's principal office,  
21 residence, or place of business in this state, or other location of the applicant.

22 (3) The applicant's federal employer identification number or, if an  
23 individual, the social security number in the absence of the federal employer  
24 identification number.

25 (4) The applicant's Louisiana revenue account number, if already  
26 assigned.

27 (5) If the applicant is not an individual, the names and social security  
28 numbers of the principal officers of an applicant corporation or the members  
29 of an applicant partnership or limited liability company, the managers of the

1 facility, and the office, street, and post office box addresses of each.

2 (6) Any other information required by the secretary.

3 C. Upon approval of the bond required in R.S. 47:818.118, the secretary  
4 shall issue the appropriate license or licenses to the applicant.

5 D. A special fuel dealer's license for compressed natural gas, liquefied  
6 natural gas, or liquefied petroleum gas is not transferable and shall remain in  
7 effect until surrendered, canceled, or revoked. The license shall be posted in a  
8 conspicuous place or kept available for inspection at the principal place of  
9 business of the license holder. A copy of the license shall be kept at each place  
10 of business or other place of storage from which compressed natural gas,  
11 liquefied natural gas, or liquefied petroleum gas is sold, distributed, or used and  
12 in each motor vehicle used by the license holder to transport compressed  
13 natural gas, liquefied natural gas, or liquefied petroleum gas purchased by the  
14 license holder for resale, distribution, or use.

15 E. A compressed natural gas, liquefied natural gas, or liquefied  
16 petroleum gas special fuel dealer's license is permanent and shall be valid  
17 during the period the license holder has in force and effect the required bond  
18 or security and furnishes timely reports and supplements as required by the  
19 secretary, or until the license is surrendered by the license holder or canceled  
20 by the secretary. The secretary shall cancel a license if the license holder has  
21 not reported a delivery of compressed natural gas, liquefied natural gas, or  
22 liquefied petroleum gas during the previous nine months.

23 F. The secretary shall maintain a record of all persons to whom a license  
24 has been issued under this Subpart and all persons holding a current license  
25 issued under this Subpart by license category.

26 §818.115. Interstate trucker's license

27 A. An interstate trucker's license authorizes a person who commercially  
28 operates a motor vehicle fueled by compressed natural gas, liquefied natural  
29 gas, or liquefied petroleum gas with two axles and a registered gross weight in

1 excess of twenty-six thousand pounds, a motor vehicle that has three or more  
2 axles, or a motor vehicle used in combination and the registered gross weight  
3 of the combination exceeds twenty-six thousand pounds, to report and pay the  
4 tax and take a credit or claim a refund as provided by this Subpart.

5 B. An interstate trucker's license is valid from the date of issuance until  
6 December thirty-first of each calendar year or until the license is surrendered  
7 by the license holder or canceled by the secretary, whichever occurs first. The  
8 secretary may renew an interstate trucker's license each calendar year if the  
9 license holder furnishes timely reports as required in this Subpart. The  
10 interstate trucker's license holder shall reproduce the license and carry a  
11 photocopy in each motor vehicle being operated in or traveling to or from this  
12 state.

13 C. An interstate trucker's license shall not be transferable.

14 §818.116. License application procedure; grounds for denial of a license

15 A. In order to obtain a license under this Subpart an applicant shall file  
16 an application with the secretary on forms provided by the secretary and shall  
17 furnish a bond as required in R.S. 47:818.118 in an amount applicable to the  
18 license for which the applicant is applying. Applications shall include all of the  
19 following information:

20 (1) The legal name of the applicant and name under which the applicant  
21 transacts or intends to transact business.

22 (2) The mailing and physical address of the applicant's principal office  
23 or place of business in this state, the applicant's residence, and the address of  
24 any other location in this state in which the applicant operates.

25 (3) The applicant's federal employer identification number or, if an  
26 individual, the applicant's social security number in the absence of a federal  
27 employer identification number.

28 (4) The applicant's Louisiana revenue account number, if already  
29 assigned.



1           **(5) If the applicant is not an individual, the names and social security**  
2           **numbers of the principal officers of the applicant's corporation or the members**  
3           **of an applicant's partnership or limited liability company, the managers of the**  
4           **facility, and the office, street, and post office box addresses of each.**

5           **(6) Any other information required by the secretary.**

6           **B. Upon approval of the bond required in R.S. 47:818.118, the secretary**  
7           **shall issue the appropriate license or licenses to an applicant.**

8           **C. The secretary may refuse to issue a license under this Subpart if any**  
9           **of the following conditions apply to the applicant or any principal of the**  
10           **applicant:**

11           **(1) A license or registration issued under this Subpart was canceled by**  
12           **the secretary for any reason set forth in R.S. 47:818.42 or 818.117.**

13           **(2) A license or registration issued by another state was revoked, denied,**  
14           **or canceled for cause.**

15           **(3) A federal certificate of registry issued under 26 U.S.C. 4101 and the**  
16           **regulations adopted thereunder, or a similar federal authorization, was**  
17           **revoked.**

18           **(4) The applicant or any principal of the applicant has been convicted of**  
19           **any offense involving fraud or misrepresentation or has been convicted of any**  
20           **other offense that indicates that the applicant or any principal of the applicant**  
21           **may not comply with this Subpart if issued a license.**

22           **(5) The applicant or any principal of the applicant is in arrears to the**  
23           **state for any taxes.**

24           **(6) The applicant or any principal of the applicant is determined not to**  
25           **be the real party in interest.**

26           **(7) The applicant or any principal of the applicant's agents, officers, or**  
27           **employees has a prior conviction for motor fuel tax evasion in this state or in**  
28           **any state, federal, or foreign jurisdiction.**

29           **(8) For good cause as determined by the secretary.**

1           **D. The secretary shall be prohibited from issuing a license when an**  
2           **applicant or anyone connected with the applicant's business has been previously**  
3           **convicted of any violation of this Subpart or of any felony under the laws of this**  
4           **state or of the United States.**

5           **§818.117. License revocation; cancellation**

6           **A. The secretary may revoke the license of any person licensed under this**  
7           **Subpart, upon written notice sent by certified mail to the licensee's last known**  
8           **address, for any of the following reasons:**

9                   **(1) Filing by the licensee of a false return, or a false report of the data or**  
10                  **information required by this Subpart.**

11                  **(2) Failure, refusal, or neglect of the licensee to file a return, report or**  
12                  **information required by this Subpart.**

13                  **(3) Failure of the licensee to pay the full amount of all taxes due or to pay**  
14                  **any penalties or interest due required to be paid by the licensee.**

15                  **(4) Failure of the licensee to keep accurate records of the quantities of**  
16                  **compressed natural gas, liquefied natural gas, or liquefied petroleum gas**  
17                  **received, produced, refined, manufactured, compounded, sold, or used in**  
18                  **Louisiana.**

19                  **(5) Failure to file a new, larger, or additional surety bond as required by**  
20                  **the secretary pursuant to R.S. 47:818.118.**

21                  **(6) Conviction of the licensee, licensee's agents, officers, or employees, or**  
22                  **a principal of the licensee for any act prohibited under this Subpart.**

23                  **(7) Failure, refusal, or neglect of a licensee to comply with any other**  
24                  **provision of this Subpart or any rule promulgated pursuant to this Subpart.**

25                  **(8) Having a license or registration issued by another state canceled for**  
26                  **cause.**

27                  **(9) The licensee is determined not to be the real party in interest.**

28                  **(10) Any prior license of the real party in interest has been revoked for**  
29                  **cause.**

1           **(11) The licensee, or any of the licensee's agents, officers, or employees,**  
2           **has a prior conviction for motor fuel tax evasion in this state or any state,**  
3           **federal, or foreign jurisdiction and the conviction was not disclosed on the**  
4           **application.**

5           **B. The secretary shall be prohibited from granting a license and shall be**  
6           **required to suspend any license previously granted for a period of at least thirty**  
7           **days, or until such time as the applicant supplies the secretary with evidence to**  
8           **the contrary, where there is prima facie evidence that the applicant, in the**  
9           **discretion of the secretary, is not a person of good moral character, or has**  
10           **violated the provisions of this Subpart or any rules, regulations, or instructions**  
11           **issued in connection with issuance of a license. The period of suspension set**  
12           **forth in this Section shall not exceed ninety calendar days from the date of**  
13           **suspension, unless at the end of the ninety-day period the secretary determines**  
14           **that the reason for the suspension still exists. In such instances, the secretary**  
15           **may continue the period of suspension until sufficient evidence has been**  
16           **provided by the licensee that the reason for suspension no longer exists.**

17           **C. The secretary shall cancel any license upon the written request of the**  
18           **licensee or upon a change in ownership or control of the licensed business.**

19           **D. Upon revocation or cancellation of a license, the license shall be**  
20           **surrendered to the secretary and the tax levied in accordance with the**  
21           **provisions of this Subpart shall become due and payable within fifteen days on**  
22           **all untaxed compressed natural gas, liquified natural gas, and liquified**  
23           **petroleum gas held in storage or otherwise in the possession of the licensee and**  
24           **all compressed natural gas, liquified natural gas, and liquified petroleum gas**  
25           **sold, delivered, or used prior to the revocation or cancellation on which the tax**  
26           **has not been paid.**

27           **E. If the secretary revokes a license, the secretary shall be prohibited**  
28           **from issuing a new license to the same applicant for a period of three years from**  
29           **the date of revocation.**

1           **§818.118. Bond requirements; amounts**

2           **A. Upon approval of the application by the secretary, the applicant shall**  
3           **file a surety bond executed in favor of the secretary in an amount as follows:**

4           **(1) For a compressed natural gas dealer, liquefied natural gas dealer, or**  
5           **liquefied petroleum dealer, the amount of the bond shall be the greater of fifty**  
6           **thousand dollars or an amount equal to three months' tax liability.**

7           **(2) For an interstate trucker, the amount of the bond shall be the greater**  
8           **of twenty thousand dollars or an amount equal to three months' tax liability.**

9           **(3) Only one surety bond shall be required for a person requiring**  
10           **multiple licenses and for any such person the minimum bond shall be the**  
11           **highest bond level required.**

12           **B. The secretary may require an additional bond amount from the**  
13           **licensee when liability upon the previous bond is discharged or reduced by a**  
14           **judgment rendered, a payment made, or another disposition, the licensee no**  
15           **longer meets the conditions for waiver of bond as set forth in Subsection F of**  
16           **this Section, or if , in the opinion of the secretary, any surety on the previous**  
17           **bond becomes unsatisfactory.**

18           **C. The licensee shall file the additional bond amount within thirty days**  
19           **from the date such notice is mailed by the secretary. The secretary may**  
20           **immediately revoke the licensee's license upon the expiration of the thirty-day**  
21           **period if the licensee fails to provide the additional bond amount required.**

22           **D. The surety must be authorized to engage in business within this state.**  
23           **The surety bond shall be conditioned upon faithful compliance with the**  
24           **provisions of this Part, including the filing of the returns and payment of all**  
25           **taxes prescribed by this Subpart. The surety bond shall be approved by the**  
26           **secretary as to sufficiency and form and shall indemnify the state against any**  
27           **loss arising from the failure of the licensee for any cause whatever to pay the tax**  
28           **levied by this Subpart.**

29           **E. Any surety on an existing bond furnished by a person required to be**

1 licensed may notify the secretary in writing of its intent to cancel the bond. The  
2 secretary shall immediately notify the licensee of the intent of the surety to  
3 cancel, and the licensee shall have thirty days from the date of receipt of such  
4 notice to provide a sufficient replacement bond. The secretary may  
5 immediately cancel the licensee's license upon expiration of the thirty-day  
6 period set out above if the licensee fails to provide a new replacement bond.  
7 The surety requesting cancellation shall remain liable for any liability already  
8 accrued or which accrues during the thirty-day period set out above but shall  
9 not be responsible for any liability which accrues after the thirty-day period.

10 F. The secretary is authorized to waive the furnishing of this surety bond  
11 by any licensee who meets all the following:

12 (1) Has and agrees to maintain assets in Louisiana of a net value of not  
13 less than one hundred twenty-five percent of the amount of the bond which  
14 would otherwise be required.

15 (2) Has not been delinquent in remitting taxes accrued or accruing under  
16 this Subpart during the three-year period immediately preceding the filing of  
17 an application for waiver of the bond.

18 G. If any licensee whose bond has been waived by the secretary becomes  
19 delinquent in remitting taxes due under this Subpart, the secretary may require  
20 that the licensee furnish a bond in the amount required in this Section, and such  
21 licensee shall not be eligible for a waiver of the bond for a period of three years  
22 from the date the bond is furnished.

23 §818.119. Duties of persons holding tax payments as trustees

24 A. A person who receives or collects tax due in accordance with the  
25 provisions of this Subpart shall hold the amount received or collected in trust  
26 for the benefit of the state and shall have a fiduciary duty to remit the amount  
27 of taxes received or collected to the secretary in the manner required pursuant  
28 to the provisions of this Subpart.

29 B. A dealer who receives a payment of tax under this Subpart may not

1 apply the payment of tax to a debt that the person making the payment owes for  
2 compressed natural gas, liquefied natural gas, or liquefied petroleum purchased  
3 from the dealer.

4 C. A person required to receive or collect a tax under this Subpart is  
5 liable for and shall pay the tax in the manner provided by this Subpart.

6 §818.120. Returns and payments; discounts; penalties for failure to file

7 A. A licensed dealer shall file a quarterly return no later than the twenty-  
8 fifth day of the month following the end of the reporting period. If a licensed  
9 dealer files a return and remits the tax due on or before the due date, one  
10 percent of the tax due is allocated to the licensed dealer for the expense of  
11 collecting, accounting for, reporting, and timely remitting the taxes collected  
12 and for keeping the records. The licensed dealer shall deduct the allocated  
13 amount from the tax due when paying the tax to the state. A licensed dealer  
14 who has not made taxable deliveries during the reporting period shall file a  
15 return with the secretary that includes those facts or that information. A return  
16 shall be filed with the secretary on forms provided for that purpose and shall  
17 contain the total gallons or gallon equivalents sold and used and other  
18 information required by the secretary.

19 B. A licensed interstate trucker shall file a quarterly return and shall  
20 remit the amount of the tax due by the twenty-fifth day of the month following  
21 the end of the reporting period. If a licensed interstate trucker files a return  
22 and remits the tax due on or before the due date, one-half of one percent of the  
23 tax paid on compressed natural gas, liquefied natural gas, and liquefied  
24 petroleum gas used in this state by the interstate trucker shall be allocated to  
25 the interstate trucker for the expense of accounting for, reporting, and timely  
26 remitting the taxes due and for keeping the records. The licensed interstate  
27 trucker shall deduct the allocated amount from the tax due when paying the tax  
28 to the state. If the allocated amount exceeds the amount of tax due, the  
29 interstate trucker may file a refund claim with the secretary. A return shall be

1 filed with the secretary on forms provided for that purpose and shall contain the  
2 number of miles traveled in this state, the number of miles traveled outside this  
3 state, and other information required by the secretary. An interstate trucker  
4 who is required to file a return and who has not made interstate trips or used  
5 compressed natural gas, liquefied natural gas, or liquefied petroleum gas in  
6 motor vehicles in this state during the reporting period shall file a return with  
7 the secretary that includes those facts or that information.

8 C. A licensed dealer may take a credit on a filed return if the dealer paid  
9 the taxes imposed by this Subpart on compressed natural gas, liquefied natural  
10 gas, or liquefied petroleum gas sold on account and the dealer determines that  
11 the account is uncollectible and worthless. The credit authorized by this Section  
12 shall only be applicable if the licensed dealer writes off the account as a bad  
13 debt on the dealer's accounting books. The return on which the credit shall be  
14 taken shall state, if applicable, the name of the person whose account has been  
15 written off as a bad debt or who failed to remit the tax and any other  
16 information required by the secretary. The amount of the credit may equal, but  
17 shall not exceed the amount of taxes paid on the compressed natural gas,  
18 liquefied natural gas, or liquefied petroleum gas to which the written-off  
19 account applies. If, after a credit is taken, the account on which the credit was  
20 based is paid, or if the secretary otherwise determines that the credit was not  
21 authorized, the dealer who took the credit shall pay the unpaid taxes plus a  
22 penalty of ten percent of the amount of the unpaid taxes and interest. Interest  
23 shall accrue beginning on the day the return showing the credit was filed and  
24 ending on the date the taxes and penalty are paid.

25 D. The provisions of this Section shall not apply to a sale of compressed  
26 natural gas, liquefied natural gas, or liquefied petroleum gas for which payment  
27 is made through the use and acceptance of a credit card. The credit granted  
28 pursuant to the provisions of this Section shall be taken at the time the account  
29 is written off as a bad debt but before the tax reporting period prescribes. The

1 secretary may take action against a person in relation to whom a dealer has  
2 taken a credit for collection of the tax owed and for penalty and interest.

3 E. Failure to file any informational report or return within thirty days  
4 of the due date of the report or return shall result in a penalty of one hundred  
5 dollars and may result in a revocation of the license.

6 §818.121. Credit for certain taxes paid; school bus operators

7 A. The owner of any school bus, including school-board owned buses,  
8 used to transport Louisiana students and propelled by an internal combustion  
9 engine or motor capable of using liquefied natural gas, liquefied petroleum gas,  
10 or compressed natural gas as fuel shall pay the tax levied on such fuel but shall  
11 be entitled to a credit equal to fifty percent of the taxes paid. The credit  
12 provided for in this Section shall be claimed on a return filed for the period in  
13 which a fuel purchase occurred.

14 B. The right to claim a credit pursuant to the provisions of this Section  
15 shall not be assignable.

16 C. Claims for refund by school bus owners shall be submitted annually  
17 by the first day of August of each year on forms provided by the secretary and  
18 shall list the taxes paid during the academic school year ending no later than  
19 June thirtieth of the year for which the credit is being filed. The reimbursement  
20 provided for in this Subsection shall be paid from the Parish Transportation  
21 Fund allocable to the parish from which the credit is claimed if the credit is  
22 from a public school district in this state and the fuel was delivered into the fuel  
23 supply tank of a school bus operated exclusively by the district.

24 D. The secretary may promulgate rules and regulations in accordance  
25 with the provisions of the Administrative Procedure Act specifying procedures  
26 and requirements to be fulfilled in order to file for and receive the credit.

27 §818.122. Refund claims

28 A. All claims for a refund shall be filed on a form provided by the  
29 secretary, shall be supported by the original invoice issued by the dealer, and



1 shall contain all of the following:

2 (1) The stamped or preprinted name and address of the dealer.

3 (2) The name of the purchaser or person who received the delivery of the  
4 fuel.

5 (3) The date of delivery of the fuel or the date the invoice was issued, if  
6 different from the date the fuel was delivered.

7 (4) The number of gasoline or diesel gallon equivalents of compressed  
8 natural gas, liquefied natural gas, or liquefied petroleum gas delivered.

9 (5) The rate and amount of tax, separately stated from the selling price.

10 (6) The type of vehicle or equipment into which the fuel is delivered.

11 B. The purchaser or person who received the delivery of compressed  
12 natural gas, liquefied natural gas, or liquefied petroleum gas shall obtain the  
13 original invoice from the dealer not later than the thirtieth day after the date  
14 the fuel was delivered. If the purchase or delivery of fuel is made through an  
15 automated method in which the purchase or delivery is automatically applied  
16 to the purchaser or recipient's account, one invoice may be issued at the time  
17 of billing that covers multiple purchases or deliveries made during a thirty-day  
18 billing cycle.

19 C. The secretary shall pay a refund to a person who files a valid refund  
20 claim. After examining the refund claim and before issuing the refund, the  
21 secretary shall deduct from the amount of the refund, the one percent originally  
22 deducted by the dealer.

23 D. A person who files a claim for a tax refund on compressed natural  
24 gas, liquefied natural gas, or liquefied petroleum gas used for a purpose for  
25 which a tax refund is not authorized or who files an invoice supporting a refund  
26 claim on which the date, figures, or any material information has been falsified  
27 or altered, shall forfeit his right to the entire amount of the refund claim filed  
28 unless the claimant provides satisfactory proof to the secretary that the  
29 incorrect refund claim filed was due to a clerical or mathematical calculation

1 error.

2 §818.123. Records required to be maintained; inspection by the secretary

3 A. A dealer shall keep a record of all of the following:

4 (1) Compressed natural gas, liquefied natural gas, and liquefied  
5 petroleum gas inventories at the first of each month.

6 (2) The amount of natural gas compressed by the dealer, the amount of  
7 natural gas liquefied by the dealer, and the amount of petroleum gas liquefied  
8 by the dealer.

9 (3) All compressed natural gas, liquefied natural gas, and liquefied  
10 petroleum gas purchased or received, showing the name of the seller and the  
11 date of each purchase or receipt.

12 (4) All compressed natural gas, liquefied natural gas, and liquefied  
13 petroleum gas sold and delivered into the fuel supply tank of a motor vehicle,  
14 including the date of each sale.

15 (5) All compressed natural gas, liquefied natural gas, and liquefied  
16 petroleum gas sold but not delivered into the fuel supply tank of a motor  
17 vehicle, including the date of each sale.

18 (6) All compressed natural gas, liquefied natural gas, and liquefied  
19 petroleum gas delivered into the fuel supply tank of a motor vehicle not in  
20 connection with a sale, including the date of each delivery.

21 (7) All compressed natural gas, liquefied natural gas, and liquefied  
22 petroleum gas delivered into the fuel supply tank of a motor vehicle or other  
23 equipment exempt from tax or sold to the operator of a motor vehicle or owner  
24 of equipment exempt from the tax, including the name of the operator of the  
25 vehicle or the owner of the equipment and the date of the delivery or sale.

26 (8) All compressed natural gas, liquefied natural gas, and liquefied  
27 petroleum gas lost by fire, theft, or accident.

28 B. An interstate trucker shall keep a record of the total miles traveled in  
29 all states by all vehicles traveling to or from this state and the total quantity of

1 compressed natural gas, liquefied natural gas, or liquefied petroleum gas  
2 consumed in those vehicles and the total miles traveled in this state and the total  
3 quantity of compressed natural gas, liquefied natural gas, or liquefied  
4 petroleum gas purchased and delivered into the fuel supply tanks of motor  
5 vehicles in this state.

6 C. The records required to be kept pursuant to the provisions of this  
7 Section shall be kept until the fourth anniversary of the date they were created  
8 and shall be open to inspection at all times by the secretary or his designee. In  
9 addition to the records specifically required by this Section, a licensee or a  
10 person required to hold a license shall keep any other records required by the  
11 secretary.

12 §818.124. Notice of discontinuance, sale, or transfer of business

13 A. Prior to discontinuing any business issued a license pursuant to the  
14 provisions of this Subpart, the licensee shall notify the secretary in writing at  
15 least thirty days prior to the effective date of the discontinuance, sale, or  
16 transfer and shall surrender the license to the secretary. The notice shall state  
17 the effective date of the discontinuance and, if the licensee has transferred the  
18 business or otherwise relinquished control to another person by sale or  
19 otherwise, the date of the sale or transfer and the name and address of the  
20 person to whom the business was transferred or relinquished. The notice shall  
21 also include any other information required by the secretary.

22 B. If a licensee liable for any tax, interest, or penalty levied in accordance  
23 with this Subpart sells or transfers the business or quits the business, the  
24 licensee shall make a final return and payment within fifteen days after the date  
25 of selling, transferring, or quitting the business. The successor, successors, or  
26 assigns, if any, shall withhold sufficient amounts of the purchase monies to  
27 cover the amount of taxes, interest, and penalties due and unpaid until such  
28 time as the former owner shall produce a receipt from the secretary showing  
29 that all taxes, interest, and penalties have been paid, or a certificate stating that

1 no taxes, interest, or penalties are due. If the purchaser of a business fails to  
2 withhold purchase money, the purchaser shall be personally liable for the  
3 payment of the taxes, interest, and penalties accrued and unpaid on the account  
4 of the operation of the business by any former owner, owners, or assigns.

5 C. In the case of a licensee who has quit a business but who subsequently  
6 opens another similar business under the same ownership, whether that  
7 ownership is individual, partnership, corporation, or other, that licensee shall  
8 be liable for any tax, interest, or penalty owed by the original business.

9 §818.125. Engaging in business without a license; penalty

10 Any person who engages in or performs any business activity for which  
11 a license is required by this Subpart without having first obtained and  
12 subsequently retained a valid license shall be subject to a penalty of ten  
13 thousand dollars for a first violation. For each subsequent violation, the penalty  
14 shall be multiplied by the sum of the current violation plus all prior violations.  
15 Penalties prescribed under this Section shall be assessed, collected, and paid in  
16 the same manner as the tax.

17 §818.126. Failure to pay tax or furnish bond; subject to attachment; suit to  
18 enjoin further pursuit of business

19 A. Failure to pay any tax levied in this Subpart or any interest, penalties,  
20 or applicable costs or failure to furnish bond as provided in this Subpart shall  
21 ipso facto and without demand or putting in default, make the tax, penalties,  
22 and interest delinquent and shall be construed as an attempt to avoid the  
23 payment of the tax, penalties, and interest, which shall be sufficient grounds for  
24 attachment of the compressed natural gas, liquefied natural gas, or liquefied  
25 petroleum gas, wherever fuel may be located or found, whether the delinquent  
26 taxpayer is a resident or nonresident of this state and whether the compressed  
27 natural gas, liquefied natural gas, or liquefied petroleum gas is in the possession  
28 of the delinquent taxpayer or in the possession of other persons. Each  
29 compressed natural gas, liquefied natural gas, or liquefied petroleum gas

1 licensee shall be responsible for the payment of the applicable tax levied in this  
2 Subpart, together with any interest, penalties, and costs accruing thereon, and  
3 the secretary may attach, seize, or sequester any compressed natural gas,  
4 liquefied natural gas, or liquefied petroleum gas subject to tax under this  
5 Subpart when a tax is not paid when it was due and payable. The procedure  
6 prescribed by law shall be followed except that the secretary shall not be  
7 required to provide a bond.

8 B. When a licensee fails to pay any tax levied under this Subpart, or any  
9 interest, penalties, or applicable costs or fails to furnish bond as provided in this  
10 Subpart, the secretary may take a rule on the licensee, by motion in a court of  
11 competent jurisdiction, to show cause as to why the licensee should not be  
12 ordered to cease from further pursuit of business as a licensee. The rule shall  
13 be heard by the court not less than two days nor more than ten days, exclusive  
14 of holidays, after service of the rule on the licensee. Furthermore, the rule may  
15 be tried out of term and in chambers, and shall always be tried by preference.  
16 In case the rule is made absolute, the order rendered by the court shall be  
17 considered a judgment in favor of the state prohibiting the licensee from the  
18 further pursuit of the business until the licensee has paid the delinquent tax,  
19 penalties, and interest and has furnished the bond required by this Subpart.  
20 Every violation of the injunction shall be considered a contempt of court and  
21 shall be punishable in accordance with the law.

22 C. When a bond has been furnished by the licensee, the surety on the  
23 bond may be joined in the rule with the licensee and condemned in solido for the  
24 amount of tax, interest, penalties, attorney fees, and costs.

25 §818.127. Power to stop and investigate vehicles; fines, collection, and  
26 enforcement

27 A. The secretary, his authorized designee, any weights and standards  
28 police officer, or any motor carrier safety police officer shall be empowered to  
29 stop any commercial motor vehicle which appears to be operating with

1 compressed natural gas, liquefied natural gas, or liquefied petroleum gas for the  
2 purpose of examining the invoices and for any other investigative purposes  
3 reasonably necessary to determine whether the taxes imposed by this Subpart  
4 have been paid or whether the vehicle is being operated in compliance with the  
5 provisions of this Subpart.

6 B. If, after examination or investigation, it is determined that the tax  
7 imposed by this Subpart has not been paid with respect to the compressed  
8 natural gas, liquefied natural gas, or liquefied petroleum gas being used in the  
9 vehicle, the secretary, his authorized designee, the weights and standards police  
10 officer, or the motor carrier safety police officer may assess the tax due together  
11 with the applicable penalty provided in this Subpart, to the owner or driver of  
12 the vehicle.

13 C. The secretary, his authorized designee, the weights and standards  
14 police officer, or the motor carrier safety police officer may impound any  
15 vehicle found to be operating in violation of this Subpart or any vehicle for  
16 which inspection has been refused until such time as an inspection has been  
17 completed or any tax, interest, penalties, and other charges assessed as provided  
18 in this Subpart have been paid.

19 §818.128. Authorization to search; seizure of equipment for evidence

20 A. The secretary may search and examine any warehouse, boat, store,  
21 storeroom, automobile, truck, conveyance, vehicle, any and all places of storage,  
22 and any and all means of transportation, where there is probable cause to  
23 believe the terms of this Subpart have been, or are being violated.

24 B. Any automobile, truck, boat, conveyance, vehicle, or other means of  
25 transportation caught or detected transporting compressed natural gas,  
26 liquefied natural gas, or liquefied petroleum gas on which the tax levied  
27 pursuant to this Subpart has not been paid shall be prohibited and the means  
28 used in the transportation of the compressed natural gas, liquefied natural gas,  
29 or liquefied petroleum shall be subject to seizure by the collection and forfeiture

1 and sale as provided in this Subpart.

2 §818.129. Inspection of records, storage facilities; penalty

3 A. The secretary may examine the books, records, and other documents  
4 of all companies, agencies, or firms operating in this state, whether the  
5 companies, agencies, or firms conduct their business by rail, water, or  
6 otherwise, in order to identify licensees that are importing or otherwise shipping  
7 compressed natural gas, liquefied natural gas, or liquefied petroleum which are  
8 liable for tax under this Part. The examination by the secretary authorized by  
9 this Section shall be conducted during reasonable business hours of the licensee.

10 B. Any person who refuses to permit an inspection of records or storage  
11 facilities or refuses to permit an audit shall be subject to a penalty of five  
12 thousand dollars in addition to any other penalty imposed in accordance with  
13 provisions of this Subtitle.

14 §818.130. Unlawful importing, transportation, delivery, storage, or sale of  
15 compressed natural gas, liquefied natural gas, or liquefied  
16 petroleum; sale to enforce assessment

17 A. Upon the discovery of any compressed natural gas, liquefied natural  
18 gas, or liquefied petroleum gas illegally imported into or illegally transported,  
19 delivered, stored, or sold within this state, the secretary shall order the tank or  
20 other storage receptacle in which the compressed natural gas, liquefied natural  
21 gas, or liquefied petroleum gas is located to be seized and locked or sealed until  
22 the tax, interest, and penalties levied or imposed in accordance with the  
23 provisions of this Subpart are assessed and paid.

24 B. If the tax is not paid within thirty days of the assessment, the secretary  
25 may, in addition to other remedies authorized in this Subpart, sell the  
26 compressed natural gas, liquefied natural gas, or liquefied petroleum gas and  
27 use the proceeds of the sale to satisfy the assessment due. Any funds collected  
28 from the sale that exceed the assessment and costs of the sale shall be returned  
29 to the owner of the compressed natural gas, liquefied natural gas, or liquefied

1        petroleum gas.

2            C. All compressed natural gas, liquefied natural gas, or liquefied  
3        petroleum gas, and any property, tangible or intangible, found on the person or  
4        in any vehicle that the person is using, including the vehicle itself, to aid in the  
5        transportation or sale of illegally transported, delivered, stored, sold, imported,  
6        or acquired compressed natural gas, liquefied natural gas, or liquefied  
7        petroleum gas, and any property found in the immediate vicinity of any place  
8        where the illegally transported, delivered, stored, sold, imported, or acquired  
9        compressed natural gas, liquefied natural gas, or liquefied petroleum gas is  
10       located, including motor vehicles, tanks, and other storage devices, used to aid  
11       in the illegal transportation or sale of compressed natural gas, liquefied natural  
12       gas, or liquefied petroleum gas shall be subject to seizure, forfeiture, and sale  
13       by the secretary in the manner provided for in this Subpart.

14       §818.131. Procedure for forfeiture and sale

15            A. The secretary may, in a summary proceeding or by an action against  
16        the owner or operator of any automobile, truck, boat, conveyance, vehicle, or  
17        other means of transportation used to transport any compressed natural gas,  
18        liquefied natural gas, or liquefied petroleum on which a tax is levied by this  
19        Subpart, and on which the tax has not been paid in the manner herein provided,  
20        demand the forfeiture and sale of the automobile, truck, boat, conveyance,  
21        vehicle, or other means of transportation used in the illegal transportation.

22            B. In all cases where it is made to appear by affidavit that the residence  
23        of the owner of the automobile, truck, boat, conveyance, vehicle, or other means  
24        of transportation is out of state or is unknown to the secretary, the court having  
25        jurisdiction of the proceeding shall appoint an attorney to represent the absent  
26        owner against whom the rule shall be tried contradictorily within ten days after  
27        the filing of the rule. The affidavit may be made by the secretary, or by one of  
28        his assistants or the attorney representing the secretary, if it is not convenient  
29        to obtain the affidavit from the secretary. The attorney appointed to represent



1 the absent owner may waive service and citation of the petition or rule but shall  
2 not waive time or any legal defense.

3 C. If it is established during the trial that the automobile, truck, boat,  
4 conveyance, vehicle, or other means of transportation was used to transport  
5 compressed natural gas, liquefied natural gas, or liquefied petroleum gas on  
6 which the tax had not been paid, then the court shall order the forfeiture of the  
7 automobile, truck, boat, conveyance, vehicle, or other means of transportation.  
8 The court shall also order the sale of the vessel subject to forfeiture after ten  
9 days notice by advertisement in the official parish paper where the seizure was  
10 made. The sale shall be made by the civil sheriff of the parish of Orleans, or by  
11 the sheriff of the parish in which the seizure is made, at public auction at the  
12 courthouse to the highest bidder for cash and without appraisal. It is the intent  
13 and purpose of this Section to afford the owner of the automobile, truck, boat,  
14 conveyance, vehicle, or other means of transportation a fair opportunity for a  
15 court hearing and that the forfeiture and sale of the automobile, truck, boat,  
16 conveyance, vehicle, or other means of transportation shall operate as a penalty  
17 for the violation of this Subpart by illegal transportation. The payment of the  
18 tax due at the moment of the seizure or thereafter shall not prevent, abate,  
19 discontinue, or defeat the forfeiture and sale of the seized property.

20 D. All funds collected from the seized and forfeited property shall be  
21 paid into the state treasury and credited to the same fund or funds that would  
22 have received credit for the tax on the product illegally transported.

23 E. The court shall fix the fee of the attorney representing the owner when  
24 appointed by the court, at a nominal sum not to exceed ten percent. The  
25 attorney fees shall be taxed as costs and shall be paid out of the proceeds of the  
26 sale of the property.

27 §818.132. Commission of prohibited acts; misdemeanors; felonies; penalties

28 A. Any person who commits any of the following offenses is guilty of a  
29 misdemeanor, and upon conviction shall be fined not less than one thousand

1 dollars nor more than five thousand dollars or imprisoned for not more than  
2 two years, or both:

3 (1) Failure to maintain any record required by this Subpart.

4 (2) Making a tax-free sale or delivery of compressed natural gas,  
5 liquefied natural gas, or liquefied petroleum gas into the fuel supply tank of a  
6 motor vehicle.

7 (3) Making a false statement in a license application, return, invoice,  
8 statement, or any other document required under this Subpart.

9 (4) Making a false statement in an application for a refund.

10 (5) Failure to make a required disclosure of the correct amount of  
11 compressed natural gas, liquefied natural gas, or liquefied petroleum gas sold  
12 or used in this state.

13 (6) Failure to file a new, replacement, larger, or additional surety bond  
14 as required under this Subpart.

15 (7) Interference with or refusal to permit seizures authorized by this  
16 Subpart.

17 (8) Operating a liquefied gas-propelled motor vehicle that is required to  
18 be licensed in this state, including a motor vehicle equipped with dual  
19 carburetion, and without displaying a multi-state fuels tax agreement decal.

20 (9) Refusal to permit the secretary or his designee or the Louisiana  
21 Liquefied Gas Commission or its designee to measure or gauge the contents of  
22 or take samples from a storage tank or container on premises where  
23 compressed natural gas, liquefied natural gas, or liquefied petroleum gas is  
24 produced, processed, stored, sold, delivered, or used.

25 (10) Transporting compressed natural gas, liquefied natural gas, or  
26 liquefied petroleum gas under a false cargo manifest or shipping document, or  
27 transporting compressed natural gas, liquefied natural gas, or liquefied  
28 petroleum gas to a location without delivering a shipping document relating to  
29 that shipment.

1           **B. Any person who commits any of the following offenses with the intent**  
2           **either to evade or to circumvent the tax levied by this Subpart or to assist any**  
3           **other person in efforts to evade or to circumvent the tax levied by this Subpart**  
4           **shall be guilty of a felony, and upon conviction shall be fined not less than five**  
5           **thousand dollars nor more than an amount commensurate with the amount of**  
6           **tax combined with interest and penalties lost to the state due to the illegal**  
7           **actions or imprisoned with or without hard labor for not less than two nor more**  
8           **than ten years, or both:**

9           **(1) Altering, manipulating, replacing, or in any other manner tampering**  
10          **or interfering with, or causing to be altered, manipulated, replaced, tampered,**  
11          **or interfered with, a totalizer attached to compressed natural gas, liquefied**  
12          **natural gas, or liquefied petroleum gas to measure the dispensing of compressed**  
13          **natural gas, liquefied natural gas, or liquefied petroleum gas.**

14          **(2) Failure to pay compressed natural gas, liquefied natural gas, or**  
15          **liquefied petroleum gas taxes and diversion of the tax proceeds for other**  
16          **purposes.**

17          **(3) As a licensee or the agent or representative of a licensee, conversion**  
18          **or attempting to convert compressed natural gas, liquefied natural gas, or**  
19          **liquefied petroleum gas tax proceeds for the use of the licensee or the licensee's**  
20          **agent or representative with the intent to defraud the state.**

21          **(4) Collection of compressed natural gas, liquefied natural gas, or**  
22          **liquefied petroleum gas taxes when not authorized or licensed by the secretary**  
23          **to do so.**

24          **(5) Selling or delivering compressed natural gas, liquefied natural gas,**  
25          **or liquefied petroleum gas on which the person knows the tax is required to be**  
26          **collected, if at the time the sale is made the person does not hold a valid dealer's**  
27          **license.**

28          **(6) Importing compressed natural gas, liquefied natural gas, or liquefied**  
29          **petroleum gas into this state in contravention of this Subpart.**

1           **(7) Conspiring with any person or persons to engage in an act, plan, or**  
2           **scheme to defraud this state of compressed natural gas, liquefied natural gas,**  
3           **or liquefied petroleum gas tax proceeds.**

4           **(8) Concealing compressed natural gas, liquefied natural gas, or liquefied**  
5           **petroleum gas with the intent of engaging in any conduct prohibited by this**  
6           **Subpart.**

7           **(9) Refusal to make sales of compressed natural gas, liquefied natural**  
8           **gas, or liquefied petroleum gas on the volume-corrected basis prescribed by this**  
9           **Subpart.**

10           **(10) Failure to remit any tax levied pursuant to this Subpart to the**  
11           **secretary, if the person has added or represented that the tax was added to the**  
12           **sales price of the compressed natural gas, liquefied natural gas, or liquefied**  
13           **petroleum gas and has collected the amount of the tax.**

14           **C. Each offense shall be subject to a separate penalty.**

15           **§818.133. Collaboration with commissioner of agriculture**

16           **Notwithstanding any provision of law to the contrary, the commissioner**  
17           **of agriculture shall have the duty and authority to assist the secretary of the**  
18           **Department of Revenue in collecting the taxes and any interest or penalties due**  
19           **pursuant to the provisions of this Subpart, and the provisions of Subpart E of**  
20           **Part II of Chapter 30 of Title 3 of the Louisiana Revised Statutes of 1950 that**  
21           **are not inconsistent with this duty shall apply for such purposes. Subject to the**  
22           **oversight of the House Committee on Ways and Means and the Senate**  
23           **Committee on Revenue and Fiscal Affairs, the commissioner, in consultation**  
24           **with the secretary, shall promulgate rules pursuant to the Administrative**  
25           **Procedure Act to provide procedures and processes for the orderly regulation**  
26           **and enforcement of the laws governing taxation of compressed natural gas,**  
27           **liquified natural gas, and liquified petroleum gas.**

28           Section 2. R.S. 3:4602(12.1) is hereby amended and reenacted and R.S. 3:4690.1 is  
29 hereby enacted to read as follows:

1 §4602. Definitions

2 As used in this Chapter, the following terms shall have the following  
3 meanings:

4 \* \* \*

5 (12.1) ~~"Petroleum~~ **(a) Except as provided in Subparagraph (b) of this**  
6 **Paragraph, "petroleum product"** means any refined hydrocarbon mixture including  
7 motor oil, kerosene, gasoline, gasohol, diesel fuel, aviation fuel, heating kerosene,  
8 and any blend of two or more refined hydrocarbon mixtures except liquefied  
9 petroleum gas and natural gas.

10 **(b) For purposes of enforcement of the provisions of R.S. 47:818.111 et**  
11 **seq. regarding taxes on special fuels, "petroleum product" shall include**  
12 **compressed natural gas, liquified natural gas, and liquified petroleum gas as**  
13 **those terms are defined in R.S. 47:818.2.**

14 \* \* \*

15 **§4690.1. Enforcement of certain tax provisions**

16 **Notwithstanding any provision of law to the contrary, the commissioner**  
17 **shall have the duty and authority to assist the secretary of the Department of**  
18 **Revenue in collecting the taxes and any interest or penalties due pursuant to the**  
19 **provisions of R.S. 47:818.111 et seq., and the provisions of this Subpart that are**  
20 **not inconsistent with this duty shall apply for such purposes. Subject to the**  
21 **oversight of the House Committee on Ways and Means and the Senate**  
22 **Committee on Revenue and Fiscal Affairs, the commissioner, in consultation**  
23 **with the secretary, shall promulgate rules pursuant to the Administrative**  
24 **Procedure Act to provide procedures and processes for the orderly regulation**  
25 **and enforcement of the laws governing taxation of compressed natural gas,**  
26 **liquified natural gas, and liquified petroleum gas.**

27 Section 3. R.S. 47:818.101 through 104 are hereby repealed.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Laura Gail Sullivan.

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DIGEST

SB 271 Original 2015 Regular Session White

Present law provides for taxation of special fuels - including compressed natural gas, liquified natural gas, and liquified petroleum gas - sold, used, or consumed in La. for the operation of motor vehicles licensed or required to be licensed for highway use at the rate of 16¢ per gallon.

Proposed law retains present law.

Present law specifies that present law 16-cent-per-gallon tax does not apply to compressed natural gas, liquefied natural gas, or liquefied petroleum gas sold to, delivered to, or used by any person who pays the annual fuel tax levied under other provisions of present law.

Proposed law deletes this exception and removes the provisions allowing for an annual fuel tax.

Proposed law provides for determinations of a special fuel's energy content in relation to a gallon of gasoline or diesel beginning Jan. 1, 2016. Specifies that for purposes of levying the 16-cent-per-gallon tax:

- (1) The gasoline gallon equivalent shall be 5.660 pounds of compressed natural gas.
- (2) The diesel gallon equivalent shall be 6.060 pounds of liquified natural gas.
- (3) The diesel gallon equivalent shall be 4.2 pounds of liquified petroleum gas.

Proposed law provides for licensing of persons utilizing, delivering, or selling the special fuels; requirements for collection of the per-gallon tax by the licensed users, dealers, and sellers; application, suspension, cancellation, and revocation of licenses; bond requirements; returns, payments, credits, refunds, and fines, penalties, and interest for failure to pay associated with the tax; records retention and inspection; and investigative and enforcement authority, including authorization for search and seizure and criminal penalties for certain prohibited acts.

Proposed law authorizes and requires the Commissioner of Agriculture to assist the secretary of the Dept. of Revenue in collecting the taxes and any interest or penalties due pursuant to the provisions of proposed law. Requires the commissioner, in consultation with the secretary, to promulgate rules pursuant to the Administrative Procedure Act to provide procedures and processes for the orderly regulation and enforcement of the laws governing taxation of compressed natural gas, liquified natural gas, and liquified petroleum gas.

Effective August 1, 2015.

(Amends R.S. 3:4602(12.1) and R.S. 47:818.2(intro para), (18), (22), (43), (44), and (63); adds R.S. 3:4690.1 and R.S. 47:818.111-818.133; repeals R.S. 47:818.101-104)