



2021-2022 General Assembly

# HOUSE BILL 103: 2022 Appropriations Act, Sec. 42.4: Quarterly Motor Fuel Tax Refund for Off- Highway Use

---

<b>Committee:</b>		<b>Date:</b>	July 13, 2022
<b>Introduced by:</b>		<b>Prepared by:</b>	Trina Griffin Staff Attorney
<b>Analysis of:</b>	Sec. 42.4 of S.L. 2022-74		

---

**OVERVIEW:** Section 42.4 of S.L. 2022-74 shifts from annual to quarterly the motor fuel tax refund available for the off-highway use of motor fuel.

*This section becomes effective January 1, 2023, and applies to purchases of motor fuel on or after that date.*

**CURRENT LAW:** There are various refund provisions related to motor fuels. An entity whose use of motor fuel is exempt from tax may obtain a monthly refund of motor fuel excise tax. Quarterly refunds are available to certain nonprofits and to a person who purchases motor fuel for the off-highway operation of special mobile equipment. Annual refunds are available to those who purchase motor fuel for off-highway use, which includes farming equipment, or for certain vehicles with power attachments. With respect to the annual refunds and the refund for special mobile equipment, the amount of the refund allowed is the tax rate in effect for the time period less the amount of sales and use tax due on the fuel.

**BILL ANALYSIS:** Section 42.4 shifts from annual to quarterly the refunds available for excise tax paid on motor fuel used for off-highway use. The remainder of the section consists of conforming technical changes, including the relocation of the provision setting out how to calculate the amount of sales tax to be deducted from a motor fuel tax refund.

**EFFECTIVE DATE:** This section becomes effective January 1, 2023, and applies to purchases of motor fuel on or after that date.

Jeffrey Hudson  
Director



Legislative Analysis  
Division  
919-733-2578