



## States' Biofuels Statutes

### STATE OF MICHIGAN

*This project was undertaken in partnership with the USDA Office of the Chief Economist, The Office of Energy Policy and New Uses. For information on the full project, visit [States' Biofuels Statutory Citations](#). These statutes are placed in reverse chronological order using the date of the most recent amendment to the statute. Many biofuels laws were enacted as amendments to previously passed laws.*

*Current through the 2013 Legislative Session of the Michigan General Assembly.*

#### **207.212. Road tax; application; rate; calculation; return; appropriation**

Sec. 2. (1) A motor carrier licensed under this act shall pay a road tax calculated on the amount of motor fuel consumed in qualified commercial motor vehicles on the public roads or highways within this state. Except as otherwise provided under subsection (6), the tax shall be at the rate of 15 cents per gallon on motor fuel consumed on the public roads or highways within this state. In addition, qualified commercial motor vehicles licensed under this act that travel in interstate commerce will be subject to the definition of taxable motor fuels and rates as defined by the respective international fuel tax agreement member jurisdictions. A return shall be filed, and the tax due paid, quarterly to the department on or before the last day of January, April, July, and October of each year on a form prescribed and furnished by the department. Each quarterly return and tax payment shall cover the liability for the annual quarter ending on the last day of the preceding month.

(2) The amount of motor fuel consumed in the operation of a motor carrier on public roads or highways within this state shall be determined by dividing the miles traveled within Michigan by the average miles per gallon of motor fuel. The average miles per gallon of motor fuel shall be determined by dividing the miles traveled within and outside of Michigan by the total amount of motor fuel consumed within and outside of Michigan.

(3) In the absence of records showing the average number of miles operated per gallon of motor fuel, it shall be presumed that 1 gallon of motor fuel is consumed for every 4 miles traveled.

(4) The quarterly tax return shall be accompanied by a remittance covering any tax due.

(5) The commissioner, when he or she considers it necessary to ensure payment of the tax or to provide a more efficient administration of the tax, may require the filing of returns and payment of the tax for other than quarterly periods.

(6) The road tax required under this section shall be at a rate of 12 cents per gallon for diesel fuel that

contains at least 5% biodiesel. As used in this subsection, “biodiesel” means a fuel composed of mono-alkyl esters of long chain fatty acids derived from vegetable oils or animal fats and, in accordance with standards specified by the American society for testing and materials, designated B100 and meeting the requirements of D-6751, as approved by the department of agriculture.

(7) Beginning on September 1, 2006, the state treasurer shall annually determine, for the 12-month period ending May 1 and for any additional times that the treasurer may determine, the difference between the amount of motor fuel tax collected and the amount of motor fuel tax that would have been collected but for the differential rates on motor fuel in section 8 of the motor fuel tax act, 2000 PA 403, MCL 207.1008, and on motor fuel in subsection (6). Subsection (6) is no longer effective the earlier of 10 years after September 1, 2006 or the first day of the first month that is not less than 90 days after the state treasurer certifies that the total cumulative rate differential due to the differential rates in section 8 of the motor fuel tax act, 2000 PA 403, MCL 207.1008, and subsection (6) from September 1, 2006 is greater than \$2,500,000.00.

(8) The legislature shall annually appropriate to the Michigan transportation fund created in 1951 PA 51, MCL 247.651 to 247.675, the amount determined as the rate differential certified by the state treasurer for the 12-month period ending on May 1 of the calendar year in which the fiscal year begins. Subsection (6) shall not be effective beginning January of any fiscal year for which the appropriation required under this subsection has not been made by the first day of the fiscal year.

**Credits:** P.A.1980, No. 119, § 2, Imd. Eff. May 14. Amended by P.A.1996, No. 584, § 1, Eff. March 31, 1997; P.A.2002, No. 667, Eff. April 1, 2003; P.A.2006, No. 346, Eff. Sept. 1, 2006.