

By: Bohac

H.B. No. 16

A BILL TO BE ENTITLED

AN ACT

relating to the imposition of the motor vehicle sales tax on certain motor vehicles using alternative fuels.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter E, Chapter 152, Tax Code, is amended by adding Section 152.090 to read as follows:

Sec. 152.090. CERTAIN MOTOR VEHICLES USING ALTERNATIVE FUELS. (a) In this section:

(1) "Alternative fuel" means a fuel other than gasoline or conventional diesel fuel that can be used to propel a motor vehicle. The term includes:

(A) natural gas and liquid fuels domestically produced from natural gas;

(B) liquefied petroleum gas;

(C) methanol, ethanol, or other alcohols;

(D) blends of 85 percent or more of methanol, ethanol, or other alcohols with gasoline;

(E) coal-derived liquid fuels;

(F) hydrogen;

(G) electricity; and

(H) P-Series fuels.

(2) "Hybrid motor vehicle" means a motor vehicle that draws propulsion energy from both gasoline or conventional diesel fuel and from a rechargeable energy storage system.

1 (b) The taxes imposed by this chapter do not apply to the
2 sale or use of a motor vehicle that is propelled by the use of an
3 alternative fuel or that is a hybrid motor vehicle.

4 SECTION 2. The change in law made by this Act does not
5 affect tax liability accruing before the effective date of this
6 Act. That liability continues in effect as if this Act had not been
7 enacted, and the former law is continued in effect for the
8 collection of taxes due and for civil and criminal enforcement of
9 the liability for those taxes.

10 SECTION 3. This Act takes effect on the first day of the
11 first month that begins on or after the 91st day after the last day
12 of the legislative session.