

**CONFERENCE COMMITTEE REPORT  
DIGEST FOR EHB 1324**

**Citations Affected:** IC 2-5-36.3; IC 4-4-32.2-5; IC 5-22-5-8.5; IC 6-2.5; IC 6-3.1-34.6; IC 6-6; IC 6-8.1-1-1; IC 9-20-4-1.

**Synopsis:** Alternative fuels. Creates a study committee to study issues concerning the imposition of road impact fees on users of plug in, plug in hybrid, and hybrid vehicles. Increases from 10% to 20% the amount by which the price of a clean energy vehicle may surpass the price of a similarly equipped vehicle that is not a clean energy vehicle for the purpose of determining whether a state agency must purchase or lease the clean energy vehicle. Provides an income tax credit for placing into service a natural gas powered vehicle that has a gross vehicle weight rating of more than 33,000 pounds. Provides for the collection and remittance of the state gross retail tax (by changing the definition of "special fuel") and the special fuel tax on natural gas, butane, and propane used as a motor fuel. Provides that a transaction involving alternative fuel acquired to fuel a motor vehicle used in providing public transportation for persons or property is not exempt from the state gross retail tax for three years. Provides for the imposition of the motor carrier fuel tax upon alternative fuels by imposing the existing rates on the diesel or gasoline gallon equivalents of the various forms of natural gas sold. Excludes certain alternative fueled vehicles from the alternative fuel decal law. Increases the maximum weight limitation for a vehicle that uses natural gas as a motor fuel by 2,000 pounds. Provides a refundable road tax credit to a carrier that uses compressed natural gas to fuel large trucks. **(This conference committee report: (1) restores the House passed version of the bill with the income tax credit based on \$15,000 instead of \$18,000, including corresponding changes to the tax credit caps and a new limit on the total credits to all persons based on a certain dollar amount or the revenue from the imposition of the gross retail and use tax involving alternative fuel to fuel a motor vehicle used in providing public transportation for persons or property; and (2) adds the road impact fee study committee.)**

**Effective:** July 1, 2013; January 1, 2014.

# CONFERENCE COMMITTEE REPORT

**MADAM PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1324 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 2-5-36.3 IS ADDED TO THE INDIANA CODE
- 3 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
- 4 JULY 1, 2013]:
- 5 **Chapter 36.3. Interim Study Committee on Road Impact Fees**
- 6 **Sec. 1. As used in this chapter, "committee" refers to the**
- 7 **interim study committee on road impact fees established by section**
- 8 **2 of this chapter.**
- 9 **Sec. 2. (a) The interim study committee on road impact fees is**
- 10 **established.**
- 11 **(b) The committee shall, during the legislative interim in 2013,**
- 12 **study issues concerning the imposition of road impact fees on users**
- 13 **of any motor vehicle commonly referred to as a "plug in", "plug in**
- 14 **hybrid", or "hybrid" vehicle, including the following:**
- 15 **(1) The amount of the fee and whether it should be based on**
- 16 **gross vehicle weight, including the treatment of motor**
- 17 **vehicles that are base registered in Indiana under the terms**
- 18 **of the International Registration Plan.**
- 19 **(2) The collection of the fee.**
- 20 **(3) The use of the fee revenue.**
- 21 **(4) Any other related issue assigned to the committee by the**

1 legislative council or as directed by the chairperson of the  
2 committee.

3 (c) Before November 1, 2013, the committee shall report its  
4 findings and recommendations to the legislative council in an  
5 electronic format under IC 5-14-6.

6 Sec. 3. Except as otherwise provided in this chapter, the  
7 committee shall operate under the policies governing study  
8 committees adopted by the legislative council.

9 Sec. 4. (a) The committee consists of eight (8) members of the  
10 general assembly appointed as follows:

11 (1) Two (2) members of the senate appointed by the president  
12 pro tempore.

13 (2) Two (2) members of the senate appointed by the minority  
14 leader of the senate.

15 (3) Two (2) members of the house of representatives  
16 appointed by the speaker.

17 (4) Two (2) members of the house of representatives  
18 appointed by the minority leader of the house of  
19 representatives.

20 (b) The chairperson of the legislative council shall, before  
21 August 1, 2013, appoint a member of the committee to serve as the  
22 chairperson of the committee.

23 Sec. 5. Each member of the committee is entitled to receive the  
24 same per diem, mileage, and travel allowances paid to individuals  
25 who serve as legislative members of interim study committees  
26 established by the legislative council.

27 Sec. 6. The affirmative votes of a majority of the members  
28 appointed to the committee are required for the committee to take  
29 action on any measure, including final reports.

30 Sec. 7. This chapter expires January 1, 2014.

31 SECTION 2. IC 4-4-32.2-5, AS ADDED BY P.L.151-2009,  
32 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
33 JANUARY 1, 2014]: Sec. 5. (a) As used in this chapter, "motor fuel"  
34 has the meaning set forth in ~~IC 6-6-4.1-1(g)~~ IC 6-6-4.1-1(i).

35 (b) The term includes alternative fuel.

36 SECTION 3. IC 5-22-5-8.5, AS ADDED BY P.L.151-2009,  
37 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
38 JULY 1, 2013]: Sec. 8.5. (a) As used in this section, "clean energy  
39 vehicle" means any of the following:

40 (1) A vehicle that operates on one (1) or more of the following  
41 energy sources:

42 (A) A rechargeable energy storage system.

43 (B) Hydrogen.

44 (C) Compressed air.

45 (D) Compressed or liquid natural gas.

46 (E) Solar energy.

47 (F) Liquefied petroleum gas.

48 (G) Any other alternative fuel (as defined in IC 6-3.1-31.9-1).

49 (2) A vehicle that operates on gasoline and one (1) or more of the  
50 energy sources listed in subdivision (1).

51 (3) A vehicle that operates on diesel fuel and one (1) or more of

- 1 the energy sources listed in subdivision (1).
- 2 (b) As used in this section, "state entity" means the following:
- 3 (1) A state agency.
- 4 (2) Any other authority, board, branch, commission, committee,
- 5 department, division, or other instrumentality of the executive
- 6 (including the administrative), legislative, or judicial department
- 7 of state government.
- 8 The term includes a state elected official's office and excludes a state
- 9 educational institution.
- 10 (c) As used in this section, "vehicle" includes the following:
- 11 (1) An automobile.
- 12 (2) A truck.
- 13 (3) A tractor.
- 14 (d) Except as provided in subsection (e), if a state entity purchases
- 15 or leases a vehicle, ~~after December 31, 2009~~; it must purchase or lease
- 16 a clean energy vehicle unless the Indiana department of administration
- 17 determines that the purchase or lease of a clean energy vehicle:
- 18 (1) is inappropriate because of the purposes for which the vehicle
- 19 will be used; or
- 20 (2) would cost at least ~~ten~~ **twenty** percent ~~(10%)~~ **(20%)** more
- 21 than the purchase or lease of a vehicle that:
- 22 (A) is not a clean energy vehicle; and
- 23 (B) is designed and equipped comparably to the clean energy
- 24 vehicle.
- 25 (e) The requirements of subsection (d) do not apply to the:
- 26 (1) purchase or lease of vehicles by or for the state police
- 27 department; and
- 28 (2) short term or temporary lease of vehicles.
- 29 (f) The Indiana department of administration shall ~~before January~~
- 30 ~~1, 2010~~; adopt rules or guidelines to provide a preference for the
- 31 purchase or lease by state entities of clean energy vehicles
- 32 manufactured wholly or partially in Indiana or containing parts
- 33 manufactured in Indiana.
- 34 (g) Before August 1, ~~of 2010 and each year thereafter~~; each state
- 35 entity shall **annually** submit to the Indiana department of
- 36 administration information regarding the use of clean energy vehicles
- 37 by the state entity. The information must specify the following for the
- 38 preceding state fiscal year:
- 39 (1) The amount of alternative fuels purchased by the state entity.
- 40 (2) The amount of conventional fuels purchased by the state
- 41 entity.
- 42 (3) The average price per gallon paid by the state entity for each
- 43 type of fuel purchased by the state entity.
- 44 (4) The total number of vehicles purchased or leased by the state
- 45 agency that were clean energy vehicles and the total number of
- 46 vehicles purchased or leased by the state agency that were not
- 47 clean energy vehicles.
- 48 (5) Any other information required by the Indiana department of
- 49 administration.
- 50 (h) Before September 1, ~~of 2010 and each year thereafter~~; the

1 Indiana department of administration shall **annually** submit to the  
 2 general assembly in an electronic format under IC 5-14-6 and to the  
 3 governor a report that lists the information required under subsection  
 4 (g) for each state entity and for all state agencies in the aggregate.

5 SECTION 4. IC 6-2.5-5-27 IS AMENDED TO READ AS  
 6 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 27. **(a) Except as**  
 7 **provided in subsection (b)**, transactions involving tangible personal  
 8 property and services are exempt from the state gross retail tax, if the  
 9 person acquiring the property or service directly uses or consumes it in  
 10 providing public transportation for persons or property.

11 **(b) Except as provided in subsection (c), a transaction involving**  
 12 **alternative fuel (as defined by IC 6-6-2.5-1) acquired:**

13 **(1) after December 31, 2013, and before January 1, 2017; and**

14 **(2) to fuel a motor vehicle used in providing public**  
 15 **transportation for persons or property;**

16 **is not exempt from the state gross retail tax.**

17 **(c) Subsection (b) does not apply to transactions involving**  
 18 **alternative fuel purchased by a public transportation corporation**  
 19 **to fuel a motor vehicle used to provide public transportation for**  
 20 **persons.**

21 SECTION 5. IC 6-2.5-7-2.5 IS AMENDED TO READ AS  
 22 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 2.5. **(a) This**  
 23 **section does not apply to alternative fuel (as defined by**  
 24 **IC 6-6-2.5-1) dispensed after December 31, 2013, and before**  
 25 **January 1, 2017.**

26 **(b)** A retail merchant may designate any metered pumps at a  
 27 business location that dispense special fuel as being "for trucks only".  
 28 To do this, a retail merchant must place on the pump a sign that states  
 29 that fuel dispensed from the metered pump may only be placed in the  
 30 fuel supply tanks of a truck. A sign that reads "TRUCKS ONLY" is  
 31 sufficient to meet the requirements of this subsection.

32 ~~(b)~~ **(c)** A retail merchant may not dispense special fuel from a  
 33 metered pump that is designated for trucks only into the supply tank of  
 34 a vehicle that is not a truck.

35 ~~(c)~~ **(d)** A retail merchant is not required to display the total price per  
 36 unit of the special fuel on a metered pump if that particular metered  
 37 pump is designated for trucks only.

38 ~~(d)~~ **(e)** A retail merchant may advertise special fuel at a price that  
 39 does not include gross retail taxes that may be due on the sale of the  
 40 special fuel only if ~~he~~ **the retail merchant** maintains a metered pump  
 41 that is designated for trucks only. If a retail merchant advertises special  
 42 fuel at a price that does not include any gross retail taxes that may be  
 43 due on the sale of the special fuel, the retail merchant must display in  
 44 easily read lettering above or below the advertised price the words  
 45 "EXEMPT TRUCKS ONLY".

46 SECTION 6. IC 6-3.1-34.6 IS ADDED TO THE INDIANA CODE  
 47 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
 48 JANUARY 1, 2014]:

49 **Chapter 34.6. Tax Credit for Natural Gas Powered Vehicles**

50 **Sec. 1. (a) Subject to subsection (b), this chapter applies to**  
 51 **taxable years beginning after December 31, 2013.**

1 (b) A person is not entitled to a tax credit for placing a qualified  
 2 vehicle into service after December 31, 2016. However, this  
 3 subsection may not be construed to prevent a person from carrying  
 4 an unused tax credit attributable to a qualified vehicle placed into  
 5 service before January 1, 2017, forward to a taxable year  
 6 beginning after December 31, 2016, in the manner provided by  
 7 section 13 of this chapter.

8 Sec. 2. As used in this chapter, "department" refers to the  
 9 department of state revenue.

10 Sec. 3. As used in this chapter, "natural gas" means compressed  
 11 or liquid natural gas.

12 Sec. 4. As used in this chapter, "pass through entity" means:

- 13 (1) a corporation that is exempt from the adjusted gross  
 14 income tax under IC 6-3-2-2.8(2);
- 15 (2) a partnership;
- 16 (3) a limited liability company; or
- 17 (4) a limited liability partnership.

18 Sec. 5. As used in this chapter, "person" means an individual, a  
 19 corporation, a limited liability company, a partnership, or another  
 20 legal entity.

21 Sec. 6. As used in this chapter, "qualified vehicle" means a  
 22 natural gas powered vehicle that has a gross vehicle weight rating  
 23 of more than thirty-three thousand (33,000) pounds.

24 Sec. 7. As used in this chapter, "state tax liability" means a  
 25 person's total tax liability that is incurred under:

- 26 (1) IC 6-3-1 through IC 6-3-7 (the adjusted gross income tax);
- 27 (2) IC 6-5.5 (the financial institutions tax); and
- 28 (3) IC 27-1-18-2 (the insurance premiums tax);

29 as computed after the application of the credits that under  
 30 IC 6-3.1-1-2 are to be applied before the credit provided by this  
 31 chapter.

32 Sec. 8. (a) A person that places a qualified vehicle into service in  
 33 a particular taxable year may claim a credit against the person's  
 34 state tax liability for that taxable year.

35 (b) Subject to sections 9 and 10 of this chapter, the amount of  
 36 the credit that may be claimed for placing a qualified vehicle into  
 37 service is the amount determined in STEP THREE of the following  
 38 formula:

39 **STEP ONE: Determine the difference between:**

- 40 (A) the price of the qualified vehicle; and
- 41 (B) the price of a similarly equipped vehicle of the same  
 42 make and model that is powered by a gasoline or diesel  
 43 engine.

44 **STEP TWO: Multiply the STEP ONE result by fifty percent  
 45 (50%).**

46 **STEP THREE: Determine the lesser of:**

- 47 (A) the STEP TWO result; or
- 48 (B) fifteen thousand dollars (\$15,000).

49 Sec. 9. The total amount of the tax credits granted to a person  
 50 under this chapter for a particular taxable year may not exceed  
 51 one hundred fifty thousand dollars (\$150,000).

1           **Sec. 10.** The total amount of the tax credits granted in a  
 2 particular year to all persons under this chapter may not exceed  
 3 lesser of:

- 4           (1) Three million dollars (\$3,000,000) per year; or  
 5           (2) the revenue, as estimated by the budget agency, that is  
 6           attributable to the imposition of the gross retail and use tax on  
 7           transactions involving alternative fuel (as defined by  
 8           IC 6-6-2.5-1) to fuel a motor vehicle used in providing public  
 9           transportation for persons or property as a result of  
 10          IC 6-2.5-5-27(b) for the year the credit is claimed.

11          In addition, the tax credits granted for all years to all persons  
 12          under this chapter may not exceed three (3) times the per year  
 13          amount under subdivision (1) or (2), whichever applies for a  
 14          particular year.

15          **Sec. 11. (a)** If a pass through entity places a qualified vehicle  
 16          into service but does not have state tax liability against which a tax  
 17          credit may be applied, a shareholder, partner, or member of the  
 18          pass through entity may claim a tax credit under this chapter equal  
 19          to:

- 20          (1) the tax credit determined for the pass through entity under  
 21          this chapter for the taxable year; multiplied by  
 22          (2) the percentage of the pass through entity's distributive  
 23          income to which the shareholder, partner, or member is  
 24          entitled.

25          **(b)** The credit provided under subsection (a) is in addition to a  
 26          tax credit to which a shareholder, partner, or member of a pass  
 27          through entity is otherwise entitled under this chapter. However,  
 28          a pass through entity and a shareholder, partner, or member of the  
 29          pass through entity may not claim more than one (1) credit for the  
 30          same qualified vehicle placed into service.

31          **Sec. 12. (a)** To receive a credit under this chapter, a person  
 32          must:

- 33          (1) claim the credit on the person's state tax return or returns  
 34          in the manner prescribed by the department; and  
 35          (2) file with the department information that the department  
 36          determines is necessary for the calculation of the credit under  
 37          this chapter.

38          **(b)** The department shall record the time of filing of each return  
 39          claiming a credit under this section and shall, except as provided  
 40          in subsection (c), grant the credit to the person, if the person  
 41          otherwise qualifies for a credit under this chapter, in the  
 42          chronological order in which the return is filed in the year.

43          **(c)** If the total credits granted under this section equal the  
 44          maximum amount allowable in the year, a return claiming the  
 45          credit filed later in that year may not be approved.

46          **Sec. 13. (a)** If the amount of the credit determined under this  
 47          chapter for a person in a taxable year exceeds the person's state tax  
 48          liability for that taxable year, the person may carry over the excess  
 49          to the following taxable years. The amount of the credit carryover  
 50          from a taxable year shall be reduced to the extent that the  
 51          carryover is used by the person to obtain a credit under this

1 **chapter for any subsequent taxable year. A credit may not be**  
 2 **carried forward for more than six (6) taxable years following the**  
 3 **taxable year in which the person is first entitled to claim the credit.**

4 **(b) A person is not entitled to a carryback or refund of any**  
 5 **unused credit.**

6 **Sec. 14. A person may not sell, assign, convey, or otherwise**  
 7 **transfer the tax credit provided by this chapter.**

8 SECTION 7. IC 6-6-2.1 IS REPEALED [EFFECTIVE JANUARY  
 9 1, 2014]. (Special Fuel Tax).

10 SECTION 8. IC 6-6-2.5-1, AS AMENDED BY P.L.122-2006,  
 11 SECTION 19, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JANUARY 1, 2014]: Sec. 1. As used in this chapter, "alternative fuel"  
 13 means a liquefied petroleum gas, **liquid or** compressed natural gas  
 14 product, or a combination of liquefied petroleum gas and a compressed  
 15 natural gas product, not including a biodiesel fuel or biodiesel blend,  
 16 used in an internal combustion engine or motor to propel any form of  
 17 vehicle, machine, or mechanical contrivance. The term includes all  
 18 forms of fuel commonly or commercially known or sold as butane,  
 19 propane, or **liquid or** compressed natural gas.

20 SECTION 9. IC 6-6-2.5-22, AS AMENDED BY P.L.122-2006,  
 21 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 22 JANUARY 1, 2014]: Sec. 22. As used in this chapter, "special fuel"  
 23 means all combustible gases and liquids that are:

- 24 (1) suitable for the generation of power in an internal combustion  
 25 engine or motor; or  
 26 (2) used exclusively for heating, industrial, or farm purposes other  
 27 than for the operation of a motor vehicle.

28 Special fuel includes biodiesel and blended biodiesel (as defined in  
 29 IC 6-6-2.5-1.5) **and alternative fuels.** However, the term does not  
 30 include gasoline (as defined in IC 6-6-1.1-103), ethanol produced,  
 31 stored, or sold for the manufacture of or compounding or blending with  
 32 gasoline, ~~alternative fuels~~, kerosene, and jet fuel (if the purchaser of the  
 33 jet fuel has provided to the seller proof of the purchaser's federal jet  
 34 fuel registration at or before the time of sale).

35 SECTION 10. IC 6-6-2.5-28, AS AMENDED BY P.L.33-2007,  
 36 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 37 JANUARY 1, 2014]: Sec. 28. (a) A license tax of sixteen cents (\$0.16)  
 38 per:

- 39 (1) gallon;  
 40 (2) **diesel gallon equivalent (as defined in IC 6-6-4.1-1(f)), in**  
 41 **the case of a special fuel that is liquid natural gas; or**  
 42 (3) **gasoline gallon equivalent (as defined in IC 6-6-4.1-1(g)),**  
 43 **in the case of a special fuel that is compressed natural gas or**  
 44 **a fuel commonly or commercially known or sold as butane or**  
 45 **propane;**

46 is imposed on all special fuel sold or used in producing or generating  
 47 power for propelling motor vehicles except fuel used under section  
 48 30(a)(8) or 30.5 of this chapter. The tax shall be paid at those times, in  
 49 the manner, and by those persons specified in this section and section  
 50 35 of this chapter.

51 (b) The department shall consider it a rebuttable presumption that

1 all undyed or unmarked special fuel, or both, received in Indiana is to  
2 be sold for use in propelling motor vehicles.

3 (c) Except as provided in subsection (d), the tax imposed on special  
4 fuel by subsection (a) shall be measured by invoiced gallons **(or diesel  
5 or gasoline gallon equivalents in the case of a special fuel described  
6 in subsection (a)(2) or (a)(3))** of nonexempt special fuel received by  
7 a licensed supplier in Indiana for sale or resale in Indiana or with  
8 respect to special fuel subject to a tax precollection agreement under  
9 section 35(d) of this chapter, such special fuel removed by a licensed  
10 supplier from a terminal outside of Indiana for sale for export or for  
11 export to Indiana and in any case shall generally be determined in the  
12 same manner as the tax imposed by Section 4081 of the Internal  
13 Revenue Code and Code of Federal Regulations.

14 (d) The tax imposed by subsection (a) on special fuel imported into  
15 Indiana, other than into a terminal, is imposed at the time the product  
16 is entered into Indiana and shall be measured by invoiced gallons  
17 received at a terminal or at a bulk plant.

18 (e) In computing the tax, all special fuel in process of transfer from  
19 tank steamers at boat terminal transfers and held in storage pending  
20 wholesale bulk distribution by land transportation, or in tanks and  
21 equipment used in receiving and storing special fuel from interstate  
22 pipelines pending wholesale bulk reshipment, shall not be subject to  
23 tax.

24 (f) The department shall consider it a rebuttable presumption that  
25 special fuel consumed in a motor vehicle plated for general highway  
26 use is subject to the tax imposed under this chapter. A person claiming  
27 exempt use of special fuel in such a vehicle must maintain adequate  
28 records as required by the department to document the vehicle's taxable  
29 and exempt use.

30 (g) A person that engages in blending fuel for taxable sale or use in  
31 Indiana is primarily liable for the collection and remittance of the tax  
32 imposed under subsection (a). The person shall remit the tax due in  
33 conjunction with the filing of a monthly report in the form prescribed  
34 by the department.

35 (h) A person that receives special fuel that has been blended for  
36 taxable sale or use in Indiana is secondarily liable to the state for the  
37 tax imposed under subsection (a).

38 (i) A person may not use special fuel on an Indiana public highway  
39 if the special fuel contains a sulfur content that exceeds five  
40 one-hundredths of one percent (0.05%). A person who knowingly:

41 (1) violates; or

42 (2) aids or abets another person to violate;

43 this subsection commits a Class A infraction. However, the violation  
44 is a Class A misdemeanor if the person has committed one (1) prior  
45 unrelated violation of this subsection, and a Class D felony if the  
46 person has committed more than one (1) unrelated violation of this  
47 subsection.

48 SECTION 11. IC 6-6-4.1-1 IS AMENDED TO READ AS  
49 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 1. As used in this  
50 chapter:

1 (a) "Carrier" means a person who operates or causes to be operated  
2 a commercial motor vehicle on any highway in Indiana.

3 (b) "Commercial motor vehicle" means a vehicle which is listed in  
4 section 2(a) of this chapter and which is not excluded from the  
5 application of this chapter under section 2(b) of this chapter.

6 (c) "Commissioner" means the commissioner of the Indiana  
7 department of state revenue.

8 (d) "Declared gross weight" means the weight at which a motor  
9 vehicle is registered with:

10 (1) the bureau of motor vehicles; or

11 (2) a state other than Indiana.

12 (e) "Department" means the Indiana department of state revenue.

13 **(f) "Diesel gallon equivalent" means the amount of an  
14 alternative fuel that produces the same number of British thermal  
15 units of energy as a gallon of diesel fuel.**

16 **(g) "Gasoline gallon equivalent" means the amount of an  
17 alternative fuel that produces the same number of British thermal  
18 units of energy as a gallon of gasoline.**

19 ~~(h)~~ **(h)** "Highway" means the entire width between the boundary  
20 lines of every publicly maintained way that is open in any part to the  
21 use of the public for purposes of vehicular travel.

22 ~~(g)~~ **(i)** "Motor fuel" means gasoline (as defined in IC 6-6-1.1),  
23 special fuel (as defined in IC 6-6-2.5), and alternative fuel (as defined  
24 in IC 6-6-2.5).

25 ~~(h)~~ **(j)** "Quarter" means calendar quarter.

26 ~~(i)~~ **(k)** "Motor vehicle" has the meaning set forth in IC 6-6-1.1-103.

27 ~~(j)~~ **(l)** "Recreational vehicle" means motor homes, pickup trucks  
28 with attached campers, and buses when used exclusively for personal  
29 pleasure. A vehicle is not a recreational vehicle if the vehicle is used  
30 in connection with a business.

31 **(m) "Alternative fuel" has the meaning set forth in IC 6-6-2.5-1.**

32 **(n) "Special fuel" has the meaning set forth in IC 6-6-2.5-22.**

33 SECTION 12. IC 6-6-4.1-4 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 4. (a) A tax is  
35 imposed on the consumption of motor fuel by a carrier in its operations  
36 on highways in Indiana. The rate of this tax is **determined as follows:**

37 **(1) When imposed upon the consumption of gasoline or  
38 special fuel (other than a special fuel that is an alternative  
39 fuel), the tax rate is the same rate per gallon as the rate per  
40 gallon at which special fuel is taxed under IC 6-6-2.5.**

41 **(2) When imposed upon the consumption of a special fuel that  
42 is an alternative fuel, the tax rate is either of the following:**

43 **(A) The same rate per diesel gallon equivalent as the rate  
44 per gallon at which special fuel is taxed under IC 6-6-2.5,  
45 in the case of liquid natural gas.**

46 **(B) The same rate per gasoline gallon equivalent at which  
47 special fuel is taxed under IC 6-6-2.5, in the case of  
48 compressed natural gas or an alternative fuel commonly or  
49 commercially known or sold as butane or propane.**

50 The tax shall be paid quarterly by the carrier to the department on or  
51 before the last day of the month immediately following the quarter.

1 (b) The amount of motor fuel consumed by a carrier in its operations  
 2 on highways in Indiana is the total amount of motor fuel consumed in  
 3 its entire operations within and without Indiana, multiplied by a  
 4 fraction. The numerator of the fraction is the total number of miles  
 5 traveled on highways in Indiana, and the denominator of the fraction is  
 6 the total number of miles traveled within and without Indiana.

7 (c) The amount of tax that a carrier shall pay for a particular quarter  
 8 under this section equals the product of the tax rate in effect for that  
 9 quarter, multiplied by the amount of motor fuel consumed by the  
 10 carrier in its operation on highways in Indiana and upon which the  
 11 carrier has not paid tax imposed under IC 6-6-1.1 or IC 6-6-2.5.

12 (d) Subject to section 4.8 of this chapter, a carrier is entitled to a  
 13 proportional use credit against the tax imposed under this section for  
 14 that portion of motor fuel used to propel equipment mounted on a  
 15 motor vehicle having a common reservoir for locomotion on the  
 16 highway and the operation of the equipment, as determined by rule of  
 17 the commissioner. An application for a proportional use credit under  
 18 this subsection shall be filed on a quarterly basis on a form prescribed  
 19 by the department.

20 SECTION 13. IC 6-6-4.1-4.5 IS AMENDED TO READ AS  
 21 FOLLOWS [EFFECTIVE JANUARY 1, 2014]: Sec. 4.5. (a) A  
 22 surcharge tax is imposed on the consumption of motor fuel by a carrier  
 23 in its operations on highways in Indiana. The rate of this surcharge tax  
 24 is eleven cents (\$0.11) per:

25 (1) **gallon of gasoline or special fuel (other than natural gas or**  
 26 **an alternative fuel commonly or commercially known or sold**  
 27 **as butane or propane);**

28 (2) **diesel gallon equivalent of a special fuel that is liquid**  
 29 **natural gas; or**

30 (3) **gasoline gallon equivalent of a special fuel that is**  
 31 **compressed natural gas or an alternative fuel commonly or**  
 32 **commercially known or sold as butane or propane.**

33 The tax shall be paid quarterly by the carrier to the department on or  
 34 before the last day of the month immediately following the quarter.

35 (b) The amount of motor fuel consumed by a carrier in its operations  
 36 on highways in Indiana is the total amount of motor fuel consumed in  
 37 its entire operations within and without Indiana, multiplied by a  
 38 fraction. The numerator of the fraction is the total number of miles  
 39 traveled on highways in Indiana, and the denominator of the fraction is  
 40 the total number of miles traveled within and without Indiana.

41 (c) The amount of tax that a carrier shall pay for a particular quarter  
 42 under this section equals the product of the tax rate in effect for that  
 43 quarter, multiplied by the amount of motor fuel consumed by the  
 44 carrier in its operation on highways in Indiana.

45 (d) Subject to section 4.8 of this chapter, a carrier is entitled to a  
 46 proportional use credit against the tax imposed under this section for  
 47 that portion of motor fuel used to propel equipment mounted on a  
 48 motor vehicle having a common reservoir for locomotion on the  
 49 highway and the operation of this equipment as determined by rule of  
 50 the commissioner. An application for a proportional use credit under  
 51 this subsection shall be filed on a quarterly basis on a form prescribed

1 by the department.

2 SECTION 14. IC 6-6-12 IS ADDED TO THE INDIANA CODE AS  
3 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
4 JANUARY 1, 2014]:

5 **Chapter 12. Road Tax Credit**

6 **Sec. 1. This chapter applies to a carrier that is taxed on the**  
7 **consumption of motor fuel under IC 6-6-4.1.**

8 **Sec. 2. This chapter applies to road taxes paid after December**  
9 **31, 2013.**

10 **Sec. 3. As used in this chapter, "carrier" has the meaning set**  
11 **forth in IC 6-6-4.1-1(a).**

12 **Sec. 4. As used in this chapter, "road tax" means any of the**  
13 **following:**

14 **(1) The gasoline tax (IC 6-6-1.1).**

15 **(2) The special fuel tax (IC 6-6-2.5).**

16 **(3) The motor carrier fuel tax (IC 6-6-4.1).**

17 **Sec. 5. A carrier that consumes compressed natural gas to**  
18 **propel a vehicle described in IC 6-6-4.1-2(a) may claim a credit**  
19 **against the road taxes imposed upon the carrier's consumption of**  
20 **compressed natural gas in the previous state fiscal year.**

21 **Sec. 6. The amount of a credit allowed under this chapter is**  
22 **equal to twelve percent (12%) of the road taxes imposed upon the**  
23 **carrier's consumption of compressed natural gas in the previous**  
24 **state fiscal year.**

25 **Sec. 7. A carrier must claim the credit on a form and in the**  
26 **manner prescribed by the department of state revenue.**

27 **Sec. 8. A credit allowed under this chapter is refundable.**  
28 **Credits refunded under this section are payable from the motor**  
29 **vehicle highway account established under IC 8-14-1.**

30 **Sec. 9. A person who knowingly makes a false statement or**  
31 **knowingly presents a fraudulent receipt for the payment of a road**  
32 **tax for the purpose of:**

33 **(1) obtaining;**

34 **(2) attempting to obtain; or**

35 **(3) assisting any other person to obtain or attempt to obtain;**  
36 **a credit under this chapter commits a Class C infraction.**

37 SECTION 15. IC 6-8.1-1-1, AS AMENDED BY P.L.182-2009(ss),  
38 SECTION 247, IS AMENDED TO READ AS FOLLOWS  
39 [EFFECTIVE JANUARY 1, 2014]: Sec. 1. "Listed taxes" or "taxes"  
40 includes only the pari-mutuel taxes (IC 4-31-9-3 through IC 4-31-9-5);  
41 the riverboat admissions tax (IC 4-33-12); the riverboat wagering tax  
42 (IC 4-33-13); the slot machine wagering tax (IC 4-35-8); the type II  
43 gambling game excise tax (IC 4-36-9); the gross income tax (IC 6-2.1)  
44 (repealed); the utility receipts and utility services use taxes (IC 6-2.3);  
45 the state gross retail and use taxes (IC 6-2.5); the adjusted gross income  
46 tax (IC 6-3); the supplemental net income tax (IC 6-3-8) (repealed); the  
47 county adjusted gross income tax (IC 6-3.5-1.1); the county option  
48 income tax (IC 6-3.5-6); the county economic development income tax  
49 (IC 6-3.5-7); the auto rental excise tax (IC 6-6-9); the financial  
50 institutions tax (IC 6-5.5); the gasoline tax (IC 6-6-1.1); ~~the alternative~~  
51 ~~fuel permit fee (IC 6-6-2.1)~~; the special fuel tax (IC 6-6-2.5); the motor

1 carrier fuel tax (IC 6-6-4.1); a motor fuel tax collected under a  
 2 reciprocal agreement under IC 6-8.1-3; the motor vehicle excise tax (IC  
 3 6-6-5); the commercial vehicle excise tax (IC 6-6-5.5); the excise tax  
 4 imposed on recreational vehicles and truck campers (IC 6-6-5.1); the  
 5 hazardous waste disposal tax (IC 6-6-6.6); the cigarette tax (IC 6-7-1);  
 6 the beer excise tax (IC 7.1-4-2); the liquor excise tax (IC 7.1-4-3); the  
 7 wine excise tax (IC 7.1-4-4); the hard cider excise tax (IC 7.1-4-4.5);  
 8 the malt excise tax (IC 7.1-4-5); the petroleum severance tax (IC  
 9 6-8-1); the various innkeeper's taxes (IC 6-9); the various food and  
 10 beverage taxes (IC 6-9); the county admissions tax (IC 6-9-13 and  
 11 IC 6-9-28); the regional transportation improvement income tax (IC  
 12 8-24-17); the oil inspection fee (IC 16-44-2); the emergency and  
 13 hazardous chemical inventory form fee (IC 6-6-10); the penalties  
 14 assessed for oversize vehicles (IC 9-20-3 and IC 9-30); the fees and  
 15 penalties assessed for overweight vehicles (IC 9-20-4 and IC 9-30); the  
 16 underground storage tank fee (IC 13-23); the solid waste management  
 17 fee (IC 13-20-22); and any other tax or fee that the department is  
 18 required to collect or administer.

19 SECTION 16. IC 9-20-4-1, AS AMENDED BY P.L.65-2010,  
 20 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 21 JULY 1, 2013]: Sec. 1. (a) Except as provided in subsections (b) and  
 22 (c), a person may not operate or cause to be operated upon an Indiana  
 23 highway a vehicle or combination of vehicles having weight in excess  
 24 of one (1) or more of the following limitations:

25 (1) The total gross weight, with load, in pounds of any vehicle or  
 26 combination of vehicles may not exceed an overall gross weight  
 27 on a group of two (2) or more consecutive axles produced by  
 28 application of the following formula:

$$29 \quad W = 500 \{ [(LN) \div (N-1)] + 12N + 36 \}$$

30 where W equals the overall gross weight on any group of two (2)  
 31 or more consecutive axles to the nearest five hundred (500)  
 32 pounds, L equals the distance in feet between the extreme of any  
 33 group of two (2) or more consecutive axles, and N equals the  
 34 number of axles in the group under consideration, except that two  
 35 (2) consecutive sets of tandem axles may carry a gross load of  
 36 thirty-four thousand (34,000) pounds each, providing the overall  
 37 distance between the first and last axles of the consecutive sets of  
 38 tandem axles is thirty-six (36) feet or more. The overall gross  
 39 weight limit, calculated under this subdivision, may not exceed  
 40 eighty thousand (80,000) pounds.

41 (2) The weight concentrated on the roadway surface from any  
 42 tandem axle group may not exceed the following:

43 (A) Thirty-four thousand (34,000) pounds total weight.

44 (B) Twenty thousand (20,000) pounds on an individual axle in  
 45 a tandem group.

46 (3) A vehicle may not have a maximum wheel weight, unladen or  
 47 with load, in excess of eight hundred (800) pounds per inch width  
 48 of tire, measured between the flanges of the rim or an axle weight  
 49 in excess of twenty thousand (20,000) pounds.

50 (b) The enforcement of weight limits under this section is subject to

1 the following:

2 (1) It is lawful to operate within the scope of a permit, under  
3 weight limitations established by the Indiana department of  
4 transportation and in effect on July 1, 1956, as provided in  
5 IC 9-20-6.

6 (2) It is lawful to operate or cause to be operated a vehicle or  
7 combination of vehicles on a heavy duty highway or an extra  
8 heavy duty highway designated by the Indiana department of  
9 transportation if operated within the imposed limitations.

10 (3) Subsection (a) does not apply to any highway, road, street, or  
11 bridge for which a lesser weight limit is imposed by local  
12 authorities under IC 9-20-1-4 or IC 9-20-7-2. However, the local  
13 authority may by appropriate action establish and designate a  
14 county or city highway, road, or street or part of a highway, road,  
15 or street as a heavy duty highway subject to the weight limitations  
16 established under IC 9-20-5.

17 (4) Vehicles operated on toll road facilities are subject to rules of  
18 weight adopted for toll road facilities by the Indiana department  
19 of transportation under IC 8-15-2 and are not subject to  
20 subsection (a) when operated on a toll road facility.

21 (5) For purposes of a heavy duty vehicle that is equipped with an  
22 auxiliary power unit, the weight limitations provided in  
23 subsection (a) are increased by four hundred (400) pounds.

24 **(6) For purposes of a vehicle that uses natural gas as a motor  
25 fuel, the weight limitations provided in subsection (a) are  
26 increased by two thousand (2,000) pounds.**

27 (c) The greater of the weight limits imposed under subsection (a) or  
28 this subsection applies to vehicles operated upon an Indiana highway.  
29 The weight limits in effect on January 4, 1975, for any highway that is  
30 not designated as a heavy duty highway under IC 9-20-5 are the  
31 following:

32 (1) The total gross weight, with load, in pounds of a vehicle or  
33 combination of vehicles may not exceed seventy-three thousand  
34 two hundred eighty (73,280) pounds.

35 (2) The total weight concentrated on the roadway surface from a  
36 tandem axle group may not exceed sixteen thousand (16,000)  
37 pounds for each axle of a tandem assembly.

38 (3) A vehicle may not have a maximum wheel weight, unladen or  
39 with load, in excess of eight hundred (800) pounds per inch width  
40 of tire, measured between the flanges of the rim, or an axle weight  
41 greater than eighteen thousand (18,000) pounds.

42 SECTION 17. [EFFECTIVE JULY 1, 2013] **(a) IC 6-6-2.5 and  
43 IC 6-6-4.1, both as amended by this act, and IC 6-6-12, as added by  
44 this act, apply after December 31, 2013.**

45 **(b) This SECTION expires July 1, 2014.**

(Reference is to EHB 1324 as reprinted April 9, 2013.)

**Conference Committee Report**  
**on**  
**Engrossed House Bill 1324**

**S**igned by:

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Representative Frye R  
Chairperson

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Senator Eckerty

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Representative Moseley

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Senator Skinner

**House Conferees**

**Senate Conferees**