

WHEREAS, America is acutely aware of the precariousness of our energy situation. With over 40 percent of our oil coming from foreign sources, the instability of political regimes around the globe subjects us to the vicissitudes of an increasingly erratic supply, and the continuing excess of imports over exports has resulted in a sharp decrease in the value of the once respected American dollar.

The gasoline and alcohol mixture known as gasohol would help relieve these problems by stretching domestic oil supplies and reducing imports and dependence on foreign suppliers. In addition, use of this clean burning fuel would improve the quality of the air we breathe, and provide a badly needed boost to the agricultural sector of the economy.

For these reasons, it is the intention of the General Assembly of Maryland to encourage the maximum use of gasohol in place of ordinary gasoline; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That section(s) of the Annotated Code of Maryland be repealed, amended, or enacted to read as follows:

Article 56 - Licenses

135.

(b) "Motor vehicle fuel" means and includes gasoline, casing head or natural gasoline, benzol, benzine, naphtha, gas, substances or energy regardless of its composition or properties and any other liquid prepared, advertised, offered for sale, sold for use as, or used for, the generation of power for the propulsion of motor vehicles, and Diesel oil, oil or other liquids used in Diesel engines or in internal combustion engines for the propulsion of motor vehicles, including any product obtained by blending together any one or more products of petroleum, with or without other products, if the resultant product is capable of [such] THIS use. ~~THE TERM DOES NOT INCLUDE THE ALCOHOL CONTENT OF THE GASOLINE AND ALCOHOL MIXTURE KNOWN AS "GASOHOL."~~ THIS TERM INCLUDES "GASOHOL", A FUEL WHICH IS COMPOSED OF A MIXTURE OF 5 PERCENT TO 20 PERCENT METHYL OR ETHYL ALCOHOL IN GASOLINE.

136.

~~(i) THE ALCOHOL CONTENT OF THE GASOLINE AND ALCOHOL MIXTURE KNOWN AS "GASOHOL" IS NOT SUBJECT TO TAX UNDER THIS ARTICLE. THE COMPTROLLER SHALL PROMULGATE RULES AND REGULATIONS TO PRORATE THE TAX ON GASOHOL SO THAT ONLY THE GASOLINE CONTENT IS TAXED.~~

(I) ANY MIXTURE OF "GASOHOL" WHICH CONTAINS 10 PERCENT OR MORE OF ETHYL OR METHYL ALCOHOL SHALL BE TAXED