CHAPTER 526

(Senate Bill 276)

AN ACT concerning

Gasohol Tax - Exemption

FOR the purpose of reducing the motor fuel tax imposed on alcohol blended motor fuels under certain circumstances; providing a date by which this Act shall be void; requiring certain producers of certain alcohols to submit certain reports by a certain date; and generally relating to the motor fuel tax imposed on alcohol blended motor fuel.

BY adding to

Article 56 - Licenses Section 136(1) Annotated Code of Maryland (1979 Replacement Volume and 1982 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article 56 - Licenses

136.

(L) IN EACH FISCAL YEAR IN WHICH OTHER PLEDGED REVENUES ARE SUFFICIENT TO CONSTITUTE THE SINKING FUND REQUIRED BY § 3-215 OF THE TRANSPORTATION ARTICLE, ANY MIXTURE OF ALCOHOL BLENDED MOTOR FUEL WHICH CONTAINS 10 PERCENT OR MORE OF ETHYL OR METHYL ALCOHOL SHALL BE TAXED UNDER THIS SECTION AT A RATE OF -4- 3 CENTS LESS PER GALLON THAN OTHER MOTOR FUELS.

SECTION 2. AND BE IT FURTHER ENACTED, That each person in the State who produces ethyl or methyl alcohol used in the production of alcohol blended motor fuel eligible for the reduced tax rate established by this Act shall submit a written report to the Legislative Policy Committee, the Department of Fiscal Services, and the office of the Comptroller by January 15 of each year. The report shall include the volume of the alcohol sold by the person in Maryland during the previous year and to whom, and other research and development information, including an analysis of the cost-effectiveness of the use of alcohol in the production of motor vehicle fuels and a forecast as to the production of alcohol in this State.