

State of South Dakota

EIGHTY-FIRST SESSION
LEGISLATIVE ASSEMBLY, 2006

400M0228

HOUSE BILL NO. 1050

Introduced by: The Committee on Transportation at the request of the Department of
Revenue and Regulation

1 FOR AN ACT ENTITLED, An Act to revise certain provisions regarding the taxation of motor
2 fuel and the refunding of motor fuel taxes.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That subdivision (27) of § 10-47B-3 be amended to read as follows:

5 (27) "Motor fuel," includes:

6 (a) All products commonly or commercially known or sold as gasoline, ethyl
7 alcohol, methyl alcohol, and all gasoline blends. These products may include
8 in some quantity casinghead, absorption, natural gasoline, benzol, benzene,
9 naphtha, except that flashing above one hundred degrees Fahrenheit, and
10 Tagliabue closed cup test, which is sold and used only as cleaner's or painter's
11 solvent; and

12 (b) Any liquid prepared, advertised, offered for sale, or sold for use as commonly
13 and commercially used as a fuel in internal combustion engines, which when
14 subjected to distillation in accordance with the standard method of test for
15 distillation of gasoline, naphtha, kerosene, and similar petroleum products



1 (American Society of Testing Material Designation D-86) shows not less than
 2 ten percent distilled (recovered) below three hundred forty-seven degrees
 3 Fahrenheit and not less than ninety-five percent distilled (recovered) below
 4 four hundred sixty-four degrees Fahrenheit;

5 (c) The term does not include liquefied gases which would not exist as liquids at
 6 a temperature of sixty degrees Fahrenheit and a pressure of fourteen and
 7 seven-tenths pounds per square inch absolute; ~~nor does it include compounds~~
 8 ~~or blends of fuels which are prepared and used strictly as racing fuels in motor~~
 9 ~~vehicles operated solely off of public highways in organized racing events;~~

10 Section 2. That subdivision (39) of § 10-47B-3 be amended to read as follows:

11 10-47B-3. Terms used in this chapter mean:

12 (39) "Special fuel," all combustible gases and liquids that are:

13 (a) Suitable for the generation of power in an internal combustion engine or
 14 motor; or

15 (b) Used exclusively for heating, industrial, or farm purposes other than for the
 16 operation of a motor vehicle.

17 The term includes diesel fuel, fuel oil, heating fuel, biodiesel, all special fuel blends,
 18 and all kerosene products except K-1. The term does not include motor fuel, liquid
 19 petroleum gas, compressed natural gas, or natural gas which is not compressed
 20 natural gas; ~~compounds or blends of fuels which are prepared and used strictly as~~
 21 ~~racing fuels in motor vehicles operated solely off of public highways in organized~~
 22 ~~racing events.~~ The term, special use fuel, is synonymous with the term, special fuel;

23 Section 3. That chapter 10-47B be amended by adding thereto a NEW SECTION to read as
 24 follows:

1 Any special fuel or motor fuel user may apply for and obtain a refund of fuel taxes imposed
2 and paid to this state for motor fuel or special fuel purchased and used as racing fuel in motor
3 vehicles operated solely off of public highways in organized racing events.

4 Section 4. That chapter 10-47B be amended by adding thereto a NEW SECTION to read as
5 follows:

6 Any licensed marketer may apply for and obtain a refund of fuel taxes imposed and paid to
7 this state on motor fuel that becomes an integral component of a product that does not meet the
8 definition of motor fuel or special fuel.