

# Montana Code Annotated 2023

## TITLE 15. TAXATION

### CHAPTER 70. GASOLINE AND VEHICLE FUELS TAXES

#### Part 4. Gasoline and Special Fuel Tax

## Gasoline, Special Fuel, And Aviation Fuel Tax -- Incidence -- Rates

**15-70-403. Gasoline, special fuel, and aviation fuel tax -- incidence -- rates.** (1) The incidence of the fuel tax is on the distributor for the privilege of engaging in and carrying on business in this state. Each distributor shall pay to the department of transportation a tax in an amount equal to:

(a) 33 cents for each gallon of gasoline distributed by the distributor within the state and on which the gasoline tax has not been paid by any other distributor;

(b) 29.75 cents for each gallon of special fuel distributed by the distributor within the state and on which the special fuel tax has not been paid by any other distributor; and

(c) 5 cents for each gallon of aviation fuel, other than fuel sold to the federal defense fuel supply center, which is allocated to the department as provided by **67-1-301**.

(2) The gasoline tax provided for in subsection (1)(a) must be deposited as follows:

(a) the revenue from 22 cents of the tax less the allocations provided for in **60-3-201**(1)(a) through (1)(d) to the highway restricted account provided for in **15-70-126**;

(b) the revenue from 4 cents of the tax less the allocations provided for in **60-3-201**(1)(a) through (1)(d) to the highway patrol administration state special revenue account established in **44-1-110**; and

(c) the remaining revenue from the tax less the allocations provided for in **60-3-201**(1)(a) through (1)(d) to the local government road construction and maintenance restricted account provided for in **15-70-128**.

(3) The special fuel tax provided for in subsection (1)(b) must be deposited as follows:

(a) the revenue from 24.6 cents of the tax to the highway restricted account provided for in **15-70-126**;

(b) the revenue from 4 cents of the tax to the highway patrol administration state special revenue account established in **44-1-110**; and

(c) the remaining revenue from the tax to the local government road construction and maintenance restricted account provided for in **15-70-128**.

(4) Gasoline or special fuel may not be included in the measure of the distributor's tax if it is sold for export unless the distributor is not licensed and is not paying the tax to the state where the fuel is destined.

(5) Special fuel may not be included in the measure of the distributor's tax if it is dyed by injector at a refinery or terminal for off-highway use.

(6) When no Montana fuel tax has been paid by a distributor or any other person, the department shall collect or cause to be collected from the owners or operators of motor vehicles operating on the public roads and highways of this state a tax equal to the tax rate provided for in subsection (1)(a) for gasoline and subsection (1)(b) for dyed or undyed special fuel. The tax must be paid for each gallon of gasoline or special

fuel as defined in this part, or other volatile liquid, except liquid petroleum gas, of less than 46 degrees A.P.I. (American petroleum institute) gravity test sold or used to produce motor power to operate motor vehicles on the public roads and highways of this state.

(7) The tax may not be imposed on dyed special fuel delivered into the fuel supply tank of a vehicle that is equipped with a feed delivery box if:

- (a) the feed delivery box is permanently affixed to the vehicle;
- (b) the vehicle is used exclusively for the feeding of livestock; and
- (c) the gross vehicle weight of the vehicle, exclusive of any towed units, is greater than 12,000 pounds.

(8) All special fuel or other volatile liquid, except liquid petroleum gas, of less than 46 degrees A.P.I. (American petroleum institute) gravity test sold or used in motor vehicles, motorized equipment, and the internal combustion of any engines, including stationary engines, and used in connection with any work performed under any contracts pertaining to the construction, reconstruction, or improvement of a highway or street and its appurtenances awarded by any public agencies, including federal, state, county, municipal, or other political subdivisions, must be fuel on which Montana fuel tax has been paid.

(9) Material used for construction, reconstruction, or improvement in connection with work performed under a contract as provided in subsection (8) must be produced using fuel on which Montana fuel tax has been paid.

**History:** En. Sec. 26, Ch. 525, L. 1993; amd. Sec. 13, Ch. 10, Sp. L. November 1993; amd. Sec. 7, Ch. 340, L. 1999; amd. Sec. 15, Ch. 220, L. 2015; Sec. 15-70-343, MCA 2013; redes. 15-70-403 by Sec. 41, Ch. 220, L. 2015; amd. Sec. 30, Ch. 384, L. 2017; amd. Sec. 1, Ch. 428, L. 2019; amd. Sec. 3, Ch. 455, L. 2019; amd. Sec. 3, Ch. 123, L. 2023.