## PROPOSED AMENDMENTS TO SENATE BILL NO. 2367

- Page 1, line 2, after the semicolon insert "and", replace "section" with "sections", and after "19-10-01" insert "and 57-43.1-03.1"
- Page 1, line 3, after "Code" insert "and to amend and reenact section 2 of chapter 576 of the 1995 Session Laws" and replace "; and to repeal section" with "and ethanol plant production incentives."

Page 1, remove line 4

Page 4, replace lines 15 and 16 with:

"**SECTION 4. AMENDMENT.** Section 57-43.1-03.1 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

57-43.1-03.1. (Effective until December 31, 1999) Refund of tax for fuel used for agricultural purposes - Reduction for agricultural fuel tax fund. Any person who buys or uses any motor vehicle fuel for agricultural purposes, except motor vehicle fuel used in motor vehicles operated or intended to be operated in whole or in part upon any of the public highways of this state on which the motor vehicle fuel tax has been paid, must be reimbursed or repaid within the time provided in this chapter, the amount of the tax paid upon the presentation to and the approval of the commissioner of a claim for refund. The amount of the tax refund provided for in this section must be reduced by four cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users, two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund, and two cents per gallon [3.79 liters] withheld from the refund must be retained in the highway tax distribution fund. Those persons who have a valid tax assignment permit issued by the commissioner under section 57-43.1-11 must be charged four cents per gallon [3.79 liters] by the dealer and the four cents charged must be remitted to the commissioner by the dealer when the dealer submits the tax assigned invoices for credit.

(Effective January 1, 2000) Refund of tax for fuel used for agricultural purposes - Reduction for agricultural fuel tax fund. Any person who buys or uses any motor vehicle fuel for agricultural purposes, except motor vehicle fuel used in motor vehicles operated or intended to be operated in whole or in part upon any of the public highways of this state on which the motor vehicle fuel tax has been paid, must be reimbursed or repaid within the time provided in this chapter, the amount of the tax paid upon the presentation to and the approval of the commissioner of a claim for refund. The amount of the tax refund provided for in this section must be reduced by two cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users, two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund. Those persons who have a valid tax assignment permit issued by the commissioner under section 57-43.1-11 must be charged two cents per gallon [3.79 liters] by the dealer and the two cents charged must be remitted to the commissioner by the dealer when the dealer submits the tax assigned invoices for credit.

**SECTION 5. AMENDMENT.** Section 2 of chapter 576 of the 1995 Session Laws is amended and reenacted as follows:

**SECTION 2.** Duration and limitation of ethanol plant production incentives. Notwithstanding any other provision of law, an ethanol plant may not receive production incentives except as permitted under this section.

- 4. An ethanol plant that was in operation before July 1, 1995, may not receive production incentives in the form of direct payments from the state for more than five fiscal years of operation after June 30, 1995. An ethanol plant that or which begins operation after June 30, 1995, may not receive production incentives in the form of direct payments from the state for more than ten fiscal years of operation. After December 31, 2007, the state may not provide production incentives in the form of direct payments to any ethanol plant after June 30, 1997.
- 2. An ethanol plant that was in operation before July 1, 1995, and which produced fewer than fifteen million gallons [56781000 liters] of ethanol in the previous fiscal year may receive up to one million dollars in production incentives from the state for production in a fiscal year. An ethanol plant that was in operation before July 1, 1995, and which produced fifteen million gallons [56781000 liters] or more of ethanol in the previous fiscal year and an ethanol plant that begins operation after June 30, 1995, are each eligible to receive an equal share in up to five hundred thousand dollars in production incentives from the state for production in a fiscal year."

Renumber accordingly