

LAK:ty

03/09/2009

**AN ACT** *to amend* 73.03 (50); and *to create* 73.0303, 78.005 (13j), 78.01 (2f), 78.07 (5), 168.05 (6) and 168.12 (2) of the statutes; **relating to:** exempting personal renewable fuel production and use from state taxes, fees, inspection requirements, and licensing requirements.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**JOINT LEGISLATIVE COUNCIL PREFATORY NOTE:** This bill draft was prepared for the joint legislative council's special committee on domestic biofuels.

This bill draft would exempt the first 1,000 gallons of renewable fuel produced by a person each year, that the person uses in his or her personal vehicle, from the motor vehicle fuel excise tax, the petroleum inspection fee, and petroleum inspection requirements not required by federal law. The draft would also allow a person to produce this renewable fuel without a business tax registration certificate or a motor vehicle fuel tax license.

**SECTION 1.** 73.03 (50) of the statutes is amended to read:

73.03 (**50**) With the approval of the joint committee on finance, to establish fees for obtaining a business tax registration certificate, which, except as provided in s. 73.0302, is valid for 2 years, and for renewing that certificate and, except as provided in ~~s. 73.0302 ss.~~ 73.0302 and 73.0303, shall issue and renew those certificates if the person who wishes to obtain or renew a certificate does all of the following:

**SECTION 2.** 73.0303 of the statutes is created to read:

**73.0303** The department may not require a person to obtain a business tax registration certificate related to the production or use of renewable fuel exempt under s. 78.01 (2f) from the tax under s. 78.01 (1).

**SECTION 3.** 78.005 (13j) of the statutes is created to read:

78.005 (**13j**) “Renewable fuel” means fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in a motor vehicle fuel [ , including biodiesel, as defined in s. 168.14 (2m)].

**SECTION 4.** 78.01 (2f) of the statutes is created to read:

78.01 (2f) HOME RENEWABLE FUEL PRODUCER EXEMPTION. No tax is imposed under sub. (1) on the first 1,000 gallons of renewable fuel produced or converted from another purpose each year by a person and used by that person in that person's personal motor vehicle, if that person sells no renewable fuel during that year.

**SECTION 5.** 78.07 (5) of the statutes is created to read:

78.07 (5) Renewable fuel exempt under s. 78.01 (2f) from the tax under s. 78.01 (1) is not received for the purposes of this section.

**SECTION 6.** 168.05 (6) of the statutes is created to read:

168.05 (6) This section does not apply to renewable fuel exempt under s. 78.01 (2f) from the tax under s. 78.01 (1) unless inspection is required by federal law.

**SECTION 7.** 168.12 (2) of the statutes is created to read:

168.12 (2) The fee under sub. (1) is not imposed on renewable fuel exempt under s. 78.01 (2f) from the tax under s. 78.01 (1).

**SECTION 8. Effective date.** This act takes effect on the first day of the third month after publication.

**(END)**