

APA-1

Transmittal Sheet For Notice Of Intended Action

Control: 810

Department or Agency: Revenue

Rule Nos: 810-8-1-.72

Rule Title: Maintenance of Records for Compressed Natural Gas (CNG) or Liquefied Natural Gas (LNG) by Public Sellers or Fleet Producers (NEW RULE)

New; Amended; Repealed; Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? No

Is the increase in cost, if any, more harmful to the public than the harm that result from the absence of the proposed rule? N/A

Are all the facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? Yes

Does the proposed rule have any economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975 and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.



Signature of certifying officer
Date 03/20/2018

APA-6
10/96

**ECONOMIC IMPACT STATEMENT
FOR APA RULE
(Section 41-22-23(f))**

Control No. 810 Department or Agency REVENUE

Rule No: 810-8-1-.72

Rule Title: Maintenance of Records for Compressed Natural Gas (CNG) or Liquefied Natural Gas (LNG) by Public Sellers or Fleet Producers (NEW RULE)

New Amend Repeal Adopt by Reference

- NO This rule has no economic impact.
 YES This rule has an economic impact, as explained below:

1. NEED/EXPECTED BENEFIT OF RULE:
2. COSTS/BENEFITS OF RULE AND WHY RULE IS THE MOST EFFECTIVE, EFFICIENT, AND FEASIBLE MEANS FOR ALLOCATING RESOURCES AND ACHIEVING THE STATED PURPOSE:
3. EFFECT OF THIS RULE ON COMPETITION:
4. EFFECT OF THIS RULE ON COST OF LIVING AND DOING BUSINESS IN THE GEOGRAPHICAL AREA WHERE THE RULE IS TO BE IMPLEMENTED:
5. EFFECT OF THIS RULE ON EMPLOYMENT IN THE GEOGRAPHICAL AREA HERE THE RULE IS TO BE IMPLEMENTED:
6. SOURCE OF REVENUE TO BE USED FOR IMPLEMENTING AND ENFORCING THIS RULE:
7. THE SHORT-TERM/LONG-TERM ECONOMIC IMPACT OF THIS RULE ON AFFECTED PERSONS, INCLUDING ANALYSIS OF PERSONS WHO WILL BEAR THE COSTS AND THOSE WHO WILL BENEFIT FROM THE RULE:

8. UNCERTAINTIES ASSOCIATED WITH THE ESTIMATED BENEFITS AND BURDENS OF THE RULE, INCLUDING QUALITATIVE/QUANTITATIVE BENEFITS AND BURDEN COMPARISON:
9. THE EFFECT OF THIS RULE ON THE ENVIRONMENT AND PUBLIC HEALTH:
10. DETRIMENTAL EFFECT ON THE ENVIRONMENT AND PUBLIC HEALTH IF THE RULE IS NOT IMPLEMENTED:
11. OTHER COMMENTS:

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**ALABAMA DEPARTMENT OF REVENUE
Business License Tax**

NOTICE OF INTENDED ACTION

RULE NO. & TITLE

810-8-1-.72

Maintenance of Records for Compressed Natural Gas (CNG) or Liquefied Natural Gas (LNG) by Public Sellers or Fleet Producers (NEW RULE)

INTENDED ACTION

New

SUBSTANCE OF

PROPOSED ACTION:

The department proposes to adopt the above mentioned rule to establish the documentation that public sellers and fleet producers must maintain regarding their sales or withdrawals of CNG/LNG products.

TIME, PLACE, MANNER OF PRESENTING VIEWS: A public hearing will be held at **01:30 PM on Tuesday, May 08, 2018, Room 1203, First Floor, Gordon Persons Building**, located at 50 N Ripley Street, Montgomery, Alabama. Copies of the rule(s) can be obtained at <http://www.revenue.alabama.gov/tax-policy/>.

All interested parties may present their views in writing to the **Secretary of the Alabama Department of Revenue, Room 4131, Gordon Persons Building, 50 N Ripley Street, Montgomery, Alabama 36132** at any time following publication of the notice up until the conclusion of the hearing. Interested parties may also appear at the hearing to present their views.

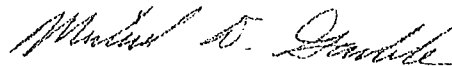
FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:

Tuesday, May 08, 2018

CONTACT PERSON AT AGENCY:

Meagan Barrett

Alabama Department of Revenue
4131 Gordon Persons Building
Montgomery, Alabama 36132
(334) 242-1380



Michael D. Gamble, Secretary
Alabama Department of Revenue

Rule 810-8-1-.72 Maintenance of Records for Compressed Natural Gas (CNG) or Liquefied Natural Gas (LNG) by Public Sellers or Fleet Producers (NEW RULE)

(1) Every licensed public seller or fleet producer of compressed natural gas (CNG) or liquefied natural gas (LNG) shall maintain copies of the purchase invoices showing the quantity of natural gas purchased and used to produce CNG and the amount of CNG OR LNG product purchased, received, or produced at each location for a period of 30 days.

(2) Every licensed public seller or fleet producer of CNG OR LNG must keep a sales record or withdrawal records showing each sale of CNG or LNG.

(3) The public seller or fleet producer must maintain a daily log of the total gasoline equivalent gallons or diesel equivalent gallons, whichever is appropriate, disbursed at each location for each CNG or LNG metering device.

(4) All sales to licensed exempt entities must be properly documented with an invoice for each sale of CNG or LNG product. A single invoice covering multiple sales of CNG or LNG made during a period of time not to exceed a calendar month shall constitute an invoice for each sale. The public seller or fleet producer must maintain a daily log of all CNG or LNG product sold to a licensed exempt entity. The licensed exempt entity must provide the public seller or fleet producer with a valid exempt entity number before the exempt entity can purchase tax-free CNG or LNG. The public seller or fleet producer must maintain a record of the sales to the exempt entity including the exempt entity numbers for audit purposes. If the entity does not have a valid exempt entity license number, the public seller or fleet producer must collect and remit the appropriate excise tax to the department.

(5) The sales invoice shall contain the following information:

(a) The name and address of the station.

(b) The date of the sale.

(c) The name & address of the purchaser.

(d) The number of gasoline gallon equivalent (GGE) or diesel gallon equivalent (DGE) gallons of CNG or LNG product sold.

(e) The price per gallon.

(f) The total amount of the sale.

(g) The amount of excise tax charged or a statement on the invoice that the price per gallon includes the excise tax.

(6) Records must be maintained in the format described above in items (1) – (5) and shall be made available for inspection and audit by the department.

(7) This rule will become effective on October 1, 2018, to coincide with the effective date of Act 2017-229.

Author: Bonita Calhoun
Authority: §§ 40-2A-7(a)(5) and 40-17-168, Code of Ala. 1975.
History: New Rule: Filed March 21, 2018