

2017 Regular Session

HOUSE BILL NO. 578

BY REPRESENTATIVE JONES

TAX/GASOLINE TAX: Levies an additional tax on gasoline and diesel fuel and provides for use of the avails of the tax

1 AN ACT

2 To enact R.S. 47:818.12.1, relative to taxes on motor fuels; to levy an additional tax on
3 gasoline and diesel fuel; to require deposit of the avails of the tax into a special
4 treasury fund; to establish a special treasury fund; to provide for the deposit, use, and
5 investment of monies in the fund; to provide for the disbursement and allocation of
6 monies in the fund; to require the promulgation of rules and regulations; to provide
7 for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 47:818.12.1 is hereby enacted to read as follows:

10 §818.12.1. Taxes levied; rates; 21st Century Transportation and Infrastructure Fund

11 A.(1) In addition to the taxes levied in R.S. 47:818.12 and 820.1, there is
12 hereby levied a tax of seven cents per net gallon on all gasoline as defined in this
13 Part sold, used, or consumed in the state of Louisiana for domestic consumption.

14 (2) In addition to the taxes levied in R.S. 47:818.12 and 820.1, there is
15 hereby levied a tax of seven cents per net gallon on all diesel fuel as defined in this
16 Part sold, used, or consumed in the state of Louisiana for the operation of motor
17 vehicles, licensed or required to be licensed for highway use.

18 B. The imposition, collection, payment, and remittance of the tax levied by
19 this Section shall be accomplished in the manner and at the time provided for in this
20 Part.

1 C.(1) Beginning July 1, 2017, after satisfaction of the requirements of the
2 Bond Security and Redemption Fund, as provided in Article VII, Section 9(B) of the
3 Constitution of Louisiana, monies derived from the taxes levied pursuant to the
4 provisions of this Section shall be deposited into the 21st Century Transportation and
5 Infrastructure Fund.

6 (2) There is hereby established the 21st Century Transportation and
7 Infrastructure Fund, hereinafter referred to as "fund", as a special fund in the state
8 treasury. The monies in the fund shall be subject to appropriation to be used solely
9 and exclusively for state and local government transportation and capital
10 infrastructure projects and shall be distributed in accordance with the provisions of
11 Paragraph (3) of this Subsection. Monies in the fund shall be invested in the same
12 manner as the state general fund, any earnings from such investment shall be credited
13 to the fund, and any unexpended and unencumbered monies remaining in the fund
14 at the end of a fiscal year shall remain to the credit of the fund.

15 (3) No less than the avails of one cent of the taxes levied on gasoline and
16 diesel pursuant to the provisions of this Section but no more than the avails of two
17 cents of the avails of such taxes shall be allocated to local government projects. Of
18 the portion allocated to local government projects, sixty-six percent of the monies
19 shall be allocated to projects for municipal governing authorities and thirty-four
20 percent shall be allocated to projects for parish governing authorities. The
21 Department of Transportation and Development shall promulgate rules and
22 regulations in accordance with the Administrative Procedure Act to establish a
23 distribution formula for the allocations to the municipal and parish governing
24 authorities which formula shall include consideration of the mileage of highways and
25 population in each municipal and parish jurisdiction.

26 D. The taxes levied pursuant to the provisions of the Section shall be
27 effective from July 1, 2017, through June 30, 2037.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 578 Original

2017 Regular Session

Jones

Abstract: Levies an additional tax of 7¢ per net gallon on gasoline and diesel fuel to be deposited into the 21st Century Transportation and Infrastructure Fund for use on state and local government transportation and capital infrastructure projects.

Present law levies a tax of 16¢ per net gallon on all gasoline sold, used, or consumed in La. for domestic consumption and a tax of 16¢ per net gallon on all diesel fuel sold, used, or consumed in La. for the operation of motor vehicles licensed for highway use.

Present law levies a tax of 4¢ per gallon on all gasoline, diesel fuels, and special fuels as presently taxed in present law in addition to any other tax imposed on gasoline, diesel fuels, and special fuels dedicated solely for use in the Transportation Infrastructure Model for Economic Development (TIMED) program.

Proposed law retains present law but levies an additional tax of 7¢ per net gallon on all gasoline and diesel fuel sold, used, or consumed in this state for domestic consumption. Provides that the imposition, collection, payment, and remittance of the tax levied by proposed law shall be accomplished in the manner and at the time provided for in present law.

Proposed law provides that beginning July 1, 2017, after satisfaction of the requirements of the Bond Security and Redemption Fund, monies derived from the taxes levied pursuant to the provisions of proposed law shall be deposited into the 21st Century Transportation and Infrastructure Fund.

Proposed law establishes the 21st Century Transportation and Infrastructure Fund as a special fund in the state treasury. The monies in the fund shall be subject to appropriation to be used solely and exclusively for state and local government transportation and capital infrastructure projects. Proposed law requires the monies to be distributed in accordance with the provisions of proposed law.

Proposed law requires that no less than the avails of 1¢ of the taxes levied on gasoline and diesel pursuant to proposed law but no more than the avails of 2¢ of such taxes shall be allocated to local government projects. Further provides that of the portion allocated to local government projects, 66% of the monies shall be allocated to projects for municipal governing authorities and 34% shall be allocated to projects for parish governing authorities.

Proposed law requires the Dept. of Transportation and Development to promulgate rules and regulations in accordance with the APA to establish a distribution formula for the allocation to municipal and parish governing authorities which formula shall include consideration of the mileage of highways and population in each municipal and parish jurisdiction.

Proposed law authorizes the tax in proposed law to be levied from July 1, 2017, through June 30, 2037.

(Adds 47:818.12.1)