

2016 First Extraordinary Session

HOUSE BILL NO. 82

BY REPRESENTATIVE STOKES

TAX/TAXATION: (Constitutional Amendment) Provides with respect to limitations on sales and use tax including exclusions and exemptions (Item #36)

1 A JOINT RESOLUTION

2 Proposing to amend Article VII, Section 27(A) of the Constitution of Louisiana, relative to
3 limitations on the power of taxation; to provide with respect to certain sales and use
4 tax exclusions and exemptions; to provide for submission of the proposed
5 amendment to the electors; and to provide for related matters.

6 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
7 elected to each house concurring, that there shall be submitted to the electors of the state of
8 Louisiana, for their approval or rejection in the manner provided by law, a proposal to
9 amend Article VII, Section 27(A) of the Constitution of Louisiana, to read as follows:

10 §27. Transportation Trust Fund

11 Section 27.(A) Creation of fund. Effective January 1, 1990, there shall be
12 established in the state treasury as a special permanent trust fund the Transportation
13 Trust Fund ("the trust fund") in which shall be deposited the "excess revenues" as
14 defined herein which are a portion of the avails received in each year from all
15 excise taxes levied on gasoline and motor fuels and on special fuels (said avails
16 being referred to as the "revenues") as provided herein. After satisfying pledges
17 respecting that portion of the revenues attributable to the tax rates in effect at the
18 time of such pledges for the payment of obligations for bonds or other evidences of
19 indebtedness on the effective date of this Section, the treasurer shall allocate such
20 portion of the revenues received in each year as necessary to pay all principal,

1 interest, premium, if any, and other obligations incident to the issuance, security, and
2 payment in respect of bonds as authorized in Paragraph (C) hereof. Thereafter, the
3 portion of the revenues remaining shall be deposited in the Bond Security and
4 Redemption Fund in the state treasury. After (1) the payment of any obligations for
5 bonds or other evidences of indebtedness in existence on the effective date of this
6 Section which are secured by revenues; (2) payments in respect of bonds authorized
7 in Paragraph (C) hereof; and (3) credit to the Bond Security and Redemption Fund,
8 the treasurer shall deposit in and credit to the trust fund all of the revenues remaining
9 (the "excess revenues") from the avails of all taxes levied on gasoline and motor
10 fuels and on special fuels, as follows: for the fiscal year beginning July 1, 1989, the
11 avails of twelve cents per gallon of said taxes received on and after January 1, 1990;
12 for the fiscal year beginning on July 1, 1990, the avails of fourteen cents per gallon
13 of said taxes; for the fiscal year beginning on July 1, 1991, and thereafter, the avails
14 of all taxes levied on gasoline and motor fuels and on special fuels. Purchases of
15 gasoline, diesel fuel, or special fuels ~~which are~~ may be subject to excise tax under
16 Chapter 7 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950 ~~shall~~
17 ~~be exempt from the state sales tax and any sales tax levied by a political subdivision~~
18 ~~as defined by Article VI, Section 44(2).~~ If a sales and use tax is imposed upon these
19 fuels, the maximum price per gallon that may be subject to tax is two dollars. All
20 monies appropriated by the Federal Highway Administration and the Federal
21 Aviation Administration, or their successors, either reimbursed or paid directly, shall
22 be paid directly or deposited in and credited to the trust fund.

23 * * *

24 Section 2. Be it further resolved that this proposed amendment shall be submitted
25 to the electors of the state of Louisiana at the statewide election to be held on November 8,
26 2016.

27 Section 3. Be it further resolved that on the official ballot to be used at the election,
28 there shall be printed a proposition, upon which the electors of the state shall be permitted

1 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as
2 follows:

3 Do you support an amendment to remove the exemption from state and local
4 sales and use tax for gasoline, motor fuels, and special fuels, and to limit any
5 state sales and use tax upon those fuels such that the maximum price per
6 gallon that may be subject to tax is two dollars? (Effective January 1, 2017)
7 (Amends Article VII, Section 27(A))

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 82 Original

2016 First Extraordinary Session

Stokes

Abstract: Removes the exemption from state and local sales and use taxes and restricts any state sales and use tax on gasoline, motor fuels, and special fuels such that the maximum price per gallon subject to tax would be \$2.

Present constitution provides that gasoline, motor fuels, and special fuels may be subject to a state excise tax imposed by law.

Present constitution provides that gasoline, motor fuels, and special fuels shall be exempt from state and local sales and use taxes.

Proposed constitutional amendment changes present constitution by removing the restriction on sales and use taxes, and by providing that any sales and use tax on such fuels would be limited in that the maximum price per gallon that would be subject to tax would be \$2.

Provides for submission of the proposed amendment to the voters at the statewide election to be held Nov. 8, 2016.

(Amends Const. Art. VII, §27(A))