

2014 General Session
Transportation Funding Related Bills
Proposed Bills

Prepared by the Office of Legislative Research and General Counsel -- April 2014

H.B. 135 Transportation Funding Amendments (Rep. Johnny Anderson)

This bill modifies provisions relating to transportation funding.

This bill:

- ▶ increases the state sales and use tax rates on certain transactions;
- ▶ requires the tax revenue generated by the increased state sales and use tax rates to be deposited into the Transportation Fund;
- ▶ reduces the cents per gallon tax rate imposed upon all motor fuel that is sold, used, or received for sale or use in the state;
- ▶ requires the State Tax Commission to increase the motor fuel tax rate annually by the amount, rounded to the nearest one-tenth of a cent, that equals the product of multiplying:
 - the tax rate in effect on April 30 of that year; and
 - the previous calendar year percentage growth in the highway maintenance costs index;
- ▶ provides that if there is a decline or no growth in the highway maintenance costs index, the tax rates shall remain unchanged;
- ▶ provides that any increase in the tax rates may not be greater than 2% of the tax rate effective in the previous year;
- ▶ provides that the adjusted tax rate shall take effect on July 1 of each year that the motor fuel tax rate is required to be adjusted;
- ▶ grants the State Tax Commission rulemaking authority to make rules to implement the provisions;
- ▶ requires the Department of Transportation to annually:
 - publish, by no later than April 30 of each year, the highway maintenance costs index; and
 - report to the Transportation Interim Committee, by no later than June 30 of each year, the previous calendar year percentage growth in the highway maintenance costs index;
- ▶ provides that a portion of the revenue generated by the increased state sales and use tax rates shall be deposited into the class B and class C roads account;
- ▶ repeals the provisions increasing the motor fuel tax rate annually by the previous calendar year growth in the highway maintenance costs index on July 1, 2021; and
- ▶ makes technical corrections.

H.B. 210 Sales and Use Taxes for Transportation Amendments (Rep. J. Briscoe)

This bill addresses sales and use taxes for transportation.

This bill:

- ▶ authorizes a county, city, or town to increase certain local option sales and use tax rates for public transit;
- ▶ addresses the circumstances under which the state is required to impose a sales and use tax for public transit;
- ▶ repeals obsolete language; and
- ▶ makes technical and conforming changes.

H.B. 240 Motor and Special Fuel Tax Increase Amendments (Rep. J. Nielson)

This bill modifies the Motor and Special Fuel Tax Act by amending provisions relating to the motor and special fuel tax rates.

This bill:

- ▶ defines gasoline gallon equivalent;
- ▶ increases the motor and special fuel tax rate annually over the next five years;
- ▶ increases the tax rate imposed on compressed natural gas and liquified natural gas annually over the next five years; and
- ▶ makes technical corrections.

H.B. 266 Motor Fuel and Special Fuel Tax Rate Indexing Amendments (Rep. J. Nielson)

This bill modifies the Motor and Special Fuel Tax Act by amending provisions relating to the motor and special fuel tax rates.

This bill:

- ▶ provides definitions;
- ▶ requires the State Tax Commission to increase the motor fuel tax rate, special fuel tax rate, compressed natural gas tax rate, and liquified natural gas tax rate annually by the amount, rounded to the nearest one-tenth of a cent, that equals the product of multiplying:
 - the tax rate in effect on April 30 of that year; and
 - the previous calendar year percentage growth in the Chained Consumer Price Index for All Urban Consumers;
- ▶ provides that if there is a decline or no growth in the Chained Consumer Price Index for All Urban Consumers, the tax rates shall remain unchanged;
- ▶ provides that any increase in the tax rates may not be greater than 5% of the tax rate effective in the previous year;
- ▶ provides that the adjusted tax rate shall take effect on July 1 of each year that the motor fuel tax rate is required to be adjusted;
- ▶ grants the State Tax Commission rulemaking authority to make rules to implement the provisions; and
- ▶ makes technical corrections.

H.B. 388 Amendments to Transportation Funding (Rep. Johnny Anderson)

This bill addresses funding for transportation.

This bill:

- ▶ authorizes a county, city, or town to increase certain local option sales and use tax rates for public transit;
- ▶ restricts the use of certain revenue collected from a local option sales and use tax for public transit;
- ▶ addresses the circumstances under which the state is required to impose a sales and use tax to be distributed to public transit districts;
- ▶ repeals obsolete language; and
- ▶ makes technical and conforming changes.

H.B. 430 Revisions to Tax (Rep. R. Wilcox)

This bill amends provisions related to taxation.

This bill:

- ▶ amends the allocation of sales and use tax revenue based on certain increases in the tax rate that is imposed on motor fuels and special fuels, including:
 - requiring a reduction of the amount of sales and use tax revenue deposited into the Transportation Investment Fund of 2005 under certain circumstances;
 - requiring a deposit of sales and use tax revenue into the Education Fund under certain circumstances; and
 - requiring a deposit of sales and use tax revenue into the Income Tax Rate Reduction Restricted Account;
- ▶ enacts the Income Tax Rate Reduction Restricted Account; and
- ▶ makes technical and conforming changes.

S.B. 60 Fuel Excise Tax Amendments (Sen. J. Valentine)

This bill modifies the Motor and Special Fuel Tax Act by amending provisions relating to motor and special fuel tax rates.

This bill:

- ▶ reduces the cents per gallon tax rate that is imposed on motor fuels and special fuels;
- ▶ imposes a percentage tax per gallon on motor fuel and special fuel based on the previous calendar year statewide average rack price of a gallon of regular unleaded motor fuel;
- ▶ establishes procedures for the State Tax Commission to determine the previous calendar year statewide average rack price of a gallon of regular unleaded motor fuel;
- ▶ provides that the adjusted fuel tax rate shall take effect on July 1 of each year; and
- ▶ makes technical corrections.

S.B. 139 Transportation Funding Revisions (Sen. W. Harper)

This bill modifies motor vehicle registration provisions.

This bill:

- ▶ provides definitions;
- ▶ increases motor vehicle registration fees for certain motor vehicles of 12,000 pounds or less gross laden weight, excluding motorcycles;
- ▶ amends the penalty amount that is collected from an issuing dealer for a temporary permit that is outstanding after 45 days from the date it is issued; and
- ▶ makes technical corrections.

S.B. 182 Motor Fuel Tax Revisions (Sen. J. Dabakis)

This bill modifies the Motor and Special Fuel Tax Act by amending provisions relating to certain motor fuel tax deductions.

This bill:

- ▶ provides definitions;
- ▶ requires a motor fuel distributor to:

- pay one half of the 2% motor fuel tax deduction taken for evaporation, loss in handling, and expenses of collection to the retail dealers of motor fuel on the quantities of motor fuel sold to the retail dealers during the period covered by the report; and
- at the time of submitting the report and payment of the motor fuel tax, submit evidence to the satisfaction of the State Tax Commission that from the amount of the 2% deduction, each distributor has paid one half of the deduction to the retail dealers of motor fuel on the quantities sold to the retail dealers during the period covered by the report;
- ▶ provides that a distributor is not eligible to make the 2% motor fuel tax deduction unless the distributor complies with the requirement to pay one half of the deduction to the retail dealers of motor fuel and submit evidence of the payment to the State Tax Commission; and
- ▶ makes technical corrections.

S.B. 188 Local Option Sales Tax Amendments (Sen. D. Henderson)***

This bill amends the Local Option Sales and Use Taxes for Transportation Act.

This bill:

- ▶ provides that a county, city, or town option sales and use tax for airports, highways, and systems for public transit may be used for additional purposes;
- ▶ provides that certain uses of a county, city, or town option sales and use tax for airports, highways, and systems for public transit shall be recommended by a metropolitan planning organization or council of governments; and
- ▶ makes technical and conforming changes.

***Bill passed in the 2014 General Session