

1 `AN ACT relating to school transportation funding and making an appropriation
2 therefor.

3 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

4 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 138 IS CREATED TO
5 READ AS FOLLOWS:

6 *(1) Except as provided in subsection (2) of this section, there is established a school*
7 *transportation funding fee to be paid by dealers on each gallon of gasoline and*
8 *special fuels received in this state.*

9 *(2) All deductions detailed in KRS 138.240(2) and all credits detailed in KRS 138.358*
10 *are exempt from the fee. If a dealer has on file, pursuant to KRS Chapter 138, a*
11 *statement supporting a claimed exemption, an additional statement shall not be*
12 *required for claiming exemption from the fee.*

13 *(3) The fee shall be reported and paid to the Department of Revenue at the same time*
14 *and in the same manner as are required for the reporting and payment of the*
15 *gasoline and special fuels taxes as provided by law.*

16 *(4) The school transportation funding fee shall be set at three cents (\$0.03) for each*
17 *gallon, all of which shall be deposited into the fund to support education*
18 *excellence in Kentucky established in Section 2 of this Act.*

19 *(5) All provisions of law related to the department's administration and enforcement*
20 *of the gasoline and special fuels tax and all other powers generally conveyed to*
21 *the department by the Kentucky Revised Statutes for the assessment and*
22 *collection of taxes shall apply with regard to the fee levied in this section.*

23 *(6) The department shall refund the fee imposed by this section to any person who*
24 *paid the fee, provided the person is entitled to a refund of motor fuel tax under*
25 *KRS 138.344 to KRS 138.355, and to any person who paid the fee on transactions*
26 *exempted under this section.*

27 ➔Section 2. KRS 157.330 is amended to read as follows:

1 (1) There is hereby established the fund to support education excellence in Kentucky
2 consisting of:

3 (a) Appropriations for distribution to districts in accordance with the provisions
4 of KRS 157.310 to 157.440; and

5 (b) Any funds received from the fee imposed in Section 1 of this Act, which
6 shall be calculated and distributed under the provisions outlined in KRS
7 157.370.

8 (2) The resources of the public school fund shall be paid into the State Treasury, and
9 shall be drawn out or appropriated only in aid of public schools as provided by
10 statute.

11 ➔Section 3. This Act shall take effect August 1, 2018.