HLS 13RS-995 ORIGINAL

Regular Session, 2013

HOUSE BILL NO. 438

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BY REPRESENTATIVE ROBIDEAUX

TAX/EXCISE: (Constitutional Amendment) Removes the prohibition of the state levying sales and use taxes on gasoline and certain motor fuels

A JOINT RESOLUTION

Proposing to amend and reenact Article VII, Section 27(A) of the Constitution of Louisiana,

3 relative to state excise taxes; to provide relative to state excise taxes levied on 4 gasoline and certain special fuels; to provide relative to the levy of state sales and use 5 tax on the purchase of gasoline, diesel, and special fuels; to provide for an effective 6 date; to provide for submission of the proposed amendment to the electors; and to 7 provide for related matters. 8 Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members 9 elected to each house concurring, that there shall be submitted to the electors of the state of 10 Louisiana, for their approval or rejection in the manner provided by law, a proposal to 11 amend Article VII, Section 27(A) of the Constitution of Louisiana, to read as follows: 12 §27. Transportation Trust Fund 13 Section 27.(A) Creation of fund. Effective January 1, 1990, there shall be 14 established in the state treasury as a special permanent trust fund the Transportation 15 Trust Fund ("the trust fund") in which shall be deposited the "excess revenues" as 16 defined herein which are a portion of the avails received in each year from all taxes 17 levied on gasoline and motor fuels and on special fuels (said avails being referred to 18 as the "revenues") as provided herein. After satisfying pledges respecting that 19 portion of the revenues attributable to the tax rates in effect at the time of such

CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

pledges for	he payment of obligations for bonds or other evidences of indebtedr	iess
on the effec	ive date of this Section, the treasurer shall allocate such portion of	the
revenues rec	eived in each year as necessary to pay all principal, interest, premi	um,
if any, and	other obligations incident to the issuance, security, and payment	t in
respect of bo	nds as authorized in Paragraph (C) hereof. Thereafter, the portion of	the
revenues re	naining shall be deposited in the Bond Security and Redemption F	und
in the state	reasury. After (1) the payment of any obligations for bonds or ot	her
evidences of	indebtedness in existence on the effective date of this Section which	are
secured by r	evenues; (2) payments in respect of bonds authorized in Paragraph	(C)
hereof; and	3) credit to the Bond Security and Redemption Fund, the treasurer sl	hall
deposit in a	nd credit to the trust fund all of the revenues remaining (the "exc	cess
revenues") i	rom the avails of all taxes levied on gasoline and motor fuels and	lon
special fuel	, as follows: for the fiscal year beginning July 1, 1989, the avails	s of
twelve cents	per gallon of said taxes received on and after January 1, 1990; for	the
fiscal year b	eginning on July 1, 1990, the avails of fourteen cents per gallon of s	said
taxes; for th	e fiscal year beginning on July 1, 1991, and thereafter, the avails of	f all
taxes levied	on gasoline and motor fuels and on special fuels. Purchases of gasol	ine,
diesel fuel,	or special fuels which are subject to excise tax under Chapter 7	7 of
Subtitle II of	Title 47 of the Louisiana Revised Statutes of 1950 shall be exempt fr	rom
the state sal	es tax and any sales and use tax levied by a political subdivision	1 as
defined by	article VI, Section 44(2); however, gasoline, motor fuels and spe	<u>cial</u>
fuels may be	subject to sales and use tax levied by the state. All monies appropria	ated
by the Feder	al Highway Administration and the Federal Aviation Administration	ı, or
their succes	sors, either reimbursed or paid directly, shall be paid directly	or or
deposited in	and credited to the trust fund.	
Section 2. I	e it further resolved that the provisions of the amendment contained	d in
this Joint Resolutio	shall become effective on January 1, 2015.	

1 Section 3. Be it further resolved that this proposed amendment shall be submitted 2 to the electors of the state of Louisiana at the statewide election to be held on November 4, 2014. 3 4 Section 4. Be it further resolved that on the official ballot to be used at the election, 5 there shall be printed a proposition, upon which the electors of the state shall be permitted 6 to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as 7 follows: 8 Do you support an amendment to authorize the state to levy sales and use tax 9 on purchases of gasoline, diesel, and special fuels? (January 1, 2015) 10 (Amends Article 7, 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)]

Robideaux HB No. 438

Abstract: Removes the prohibition of the state levying sales and use taxes on purchases of gasoline, diesel fuel, and special fuels which are currently subject to state excise tax.

<u>Present constitution</u> provides that gasoline, diesel fuel, or special fuels currently subject to state excise tax under <u>present law</u> (Chapter 7 of Subtitle II of Title 47 of the revised statutes) are exempt from state and local sales and use taxes.

<u>Proposed constitutional amendment</u> retains <u>present constitution</u> regarding sales and use tax levied by political subdivisions; however, <u>proposed constitutional amendment</u> *authorizes* these fuels to be subject to a sales and use tax levied by the state.

Effective January 1, 2015.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 4, 2014.

(Amends Const. Art. VII, §27(A))