

2017 Regular Session

HOUSE BILL NO. 659

BY REPRESENTATIVES THIBAUT, CHAD BROWN, STEVE CARTER, AND
JORDAN

TAX/GASOLINE TAX: Levies an additional tax on motor fuels

1 AN ACT

2 To enact R.S. 47:818.12.1, relative to the tax on motor fuels; to levy an additional tax on
3 certain motor fuels; to provide for an increase of the tax; to authorize the bonding of
4 a certain portion of the tax proceeds; to provide for the use of the avails of the tax;
5 to require the publishing of certain information; to provide for the collection,
6 payment, and remittance of the tax; to provide for applicability; to provide for
7 effectiveness; 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

11 A.(1) Beginning July 1, 2017, there shall be levied a tax of nine cents per net
12 gallon on all gasoline, as defined in this Part, sold, used, or consumed in the state of
13 Louisiana for domestic consumption. Nine cents per net gallon shall be the base rate
14 of the tax.

15 (2) Beginning July 1, 2017, there shall be levied a tax of nine cents per net
16 gallon on all diesel fuel, as defined in this Part, sold, used, or consumed in the state
17 of Louisiana for the operation of motor vehicles, licensed or required to be licensed
18 for highway use. Nine cents per net gallon shall be the base rate of the tax.

19 (3) Beginning July 1, 2017, there shall be levied a tax of nine cents per net
20 gallon on all special fuels including compressed natural gas as defined by R.S.
21 47:818.2(18), liquefied natural gas as defined by R.S. 47:818.2(43), and liquefied

1 petroleum gas as defined by R.S. 47:818.2(444) sold, used, or consumed in the state
2 of Louisiana for the operation of motor vehicles licensed or required to be licensed
3 for highway use.

4 B. Beginning January 1, 2022, the rate of the tax levied in this Section shall
5 be increased to seventeen cents per gallon if the Department of Transportation and
6 Development is found to be in substantial compliance with the requirements of R.S.
7 48:229.2 in the three consecutive annual audits conducted immediately prior to
8 January 1, 2022. If the tax rate is increased pursuant to the provisions of this
9 Paragraph, the rate established after the adjustment shall become the new base rate
10 of the tax.

11 C. No later than September 30, 2021, the Department of Transportation and
12 Development in conjunction with the Department of Revenue shall publish the base
13 rate of the tax levied pursuant to the provisions of this Section that will be applicable
14 to all purchases of gasoline, diesel, and special fuels beginning January 1, 2022.

15 D. The taxes herein levied are in addition to the tax levied in R.S. 47:818.12
16 and R.S. 47:820.1.

17 E. The avails of one cent per gallon of the taxes pursuant to this Section shall
18 be appropriated each year to the Statewide Flood-Control Program, or its successor.

19 F. The avails of the tax levied in this Section may be pledged to secure the
20 issuance of bonds, notes, or other obligations in accordance with the provisions of
21 Article VII, Section 27(C) of the Constitution of Louisiana.

22 G. The avails of the tax levied in this Section appropriated by the legislature
23 to the Department of Transportation and Development, or its successor, shall not be
24 utilized by the department as funding for any costs of the operation of the department
25 including, but not limited to the payment of employee wages and related benefits or
26 employee retirement benefits.

27 H. The imposition, collection, payment, and remittance of the tax levied in
28 this Section shall be accomplished in the manner and at the time provided for in this
29 Part.

1 Section 2. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 effective on the day following such approval.

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 659 Original

2017 Regular Session

Thibaut

Abstract: Levies an additional tax of 9¢ per net gallon on gasoline, diesel, and special fuels and provides for the rate of the tax to be increased to 17¢ on Jan. 1, 2022 if certain requirements are satisfied.

Present law levies a tax of 16¢ per net gallon on all gasoline, diesel, and special fuels sold, used, or consumed in the state of La. for domestic consumption. Further levies an additional 4¢ per gallon of gasoline, diesel fuels, and specials fuels that is dedicated solely for use in the Transportation Infrastructure Model of Economic Development (TIMED) program.

Proposed law retains present law but levies an additional tax of 9¢ per net gallon on all gasoline, diesel fuel, and special fuels sold, used, or consumed in this state for domestic consumption. Provides that 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 Jan. 1, 2022, the tax levied in proposed law shall be increased to 17¢ per gallon if DOTD is found to be in substantial compliance with the audits conducted pursuant to proposed law during the three consecutive years immediately preceding Jan. 1, 2022.

Proposed law requires DOTD in conjunction with the Dept. of Revenue to publish no later than Sept. 30, 2021, the new base rate of the tax if the tax is adjusted pursuant to proposed law.

Proposed law authorizes a certain portion of the avails of the tax to be pledged to secure the issuance of bonds in accordance with the provisions of present constitution.

Proposed law requires the avails of 1¢ per gallon of the tax levied pursuant to proposed law to be appropriated to the Statewide Flood-Control Program.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:818.12.1)