

HOUSE BILL 60

IN THE HOUSE

January 4, 1979	Introduced and referred to Committee on Taxation.
January 6, 1979	On motion, joint rule 6-6 suspended and sponsor's signature allowed to be added to prefiled bills.
February 2, 1979	Committee recommend bill, do pass.
February 3, 1979	Printed and placed on members' desks.
February 5, 1979	Second reading, do pass.
February 6, 1979	Considered correctly engrossed.
February 7, 1979	Third reading, passed.

IN THE SENATE

February 8, 1979	Introduced and referred to Committee on Taxation.
March 15, 1979	Committee recommend bill, not concurred.

IN THE HOUSE

March 16, 1979	Returned from Senate, not concurred.
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1 HOUSE BILL NO. 60
 2 INTRODUCED BY _____
 3 BY REQUEST OF THE DEPARTMENT OF COMMUNITY AFFAIRS

4
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE TO 2 CENTS
 6 A GALLON THE LICENSE TAX ON AVIATION FUEL AND TO CREATE A
 7 REVOLVING ACCOUNT OUT OF WHICH LOANS, GRANTS, AND
 8 NAVIGATIONAL AIDS MAY BE PROVIDED TO LOCAL GOVERNMENTS FOR
 9 AERONAUTICAL PURPOSES; AMENDING SECTIONS 67-1-301 AND
 10 15-70-204, MCA."

11
 12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
 13 Section 1. Section 67-1-301, MCA, is amended to read:
 14 "67-1-301. Moneys -- receipt and disbursement. (1) All
 15 costs and expenses of administering this title, including
 16 the salaries of employees of the department engaged in
 17 functions pertaining to aeronautics, the expenses of members
 18 of the board, and all other disbursements necessary to carry
 19 out the purposes of this title, shall be paid out of the
 20 following revenues:

- 21 (a) all gifts and all legislative appropriations to
- 22 the department for aeronautics;
- 23 (b) all moneys received from any branch or department
- 24 of the federal government or from other sources for the
- 25 purposes mentioned in this title or for the furtherance of

1 aeronautics generally in this state.
 2 (2) All such moneys shall be deposited in the state
 3 treasury to the credit of the department.

4 (3) There shall be deposited in the earmarked revenue
 5 fund to the credit of the department the proceeds of ~~1-cent~~
 6 1 1/4 cents per gallon out of the amount per gallon of
 7 gasoline aviation fuel license tax imposed by the laws of
 8 this state upon purchases of gasoline aviation fuel used for
 9 the operation of aircraft. Moneys so deposited shall be
 10 spent by the department for the sole purpose of carrying out
 11 its functions pertaining to aeronautics.

12 ~~(4) There shall be deposited in a revolving trust~~
 13 ~~account to the credit of the department the proceeds of 3/4~~
 14 ~~of a cent per gallon out of the amount per gallon of~~
 15 ~~aviation fuel license tax imposed by the laws of this state~~
 16 ~~upon purchase of aviation fuel used for the operation of~~
 17 ~~aircraft. Money so deposited shall be used solely to provide~~
 18 ~~loans, grants, and navigational aids to local governments~~
 19 ~~for aeronautical purposes.~~

20 ~~(4)(5) No part of the 1-cent-per-gallon-of-gasoline~~
 21 ~~aviation fuel license tax imposed by the laws of this state~~
 22 ~~on gasoline aviation fuel purchased and used for the~~
 23 ~~operation of airplanes or aircraft may be refunded."~~

24 Section 2. Section 15-70-204, MCA, is amended to read:
 25 "15-70-204. Gasoline license tax -- rate. (1) Every

1 distributor shall pay to the department of revenue a license
2 tax for the privilege of engaging in and carrying on
3 business in this state in an amount equal to ~~1-cent~~ 2 cents
4 for each gallon of aviation gasoline fuel, which shall be
5 allocated to the department of community affairs as provided
6 by 67-1-301, as amended, and 8 cents for each gallon of all
7 other gasoline distributed by him within the state and upon
8 which the gasoline license tax has not been paid by any
9 other distributor.

10 (2) Gasoline exported or sold for export out of the
11 state shall not be included in the measure of the
12 distributor's license tax."

-End-

STATE OF MONTANA

Request No. 59-79

FISCAL NOTE

Form BD-15

In compliance with a written request received January 19, 1979, there is hereby submitted a Fiscal Note for House Bill 60 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION

This bill increase to 2 cents a gallon the license tax on aviation fuel and creates a revolving account out of which loans, grants, and navigational aids may be provided to local governments for aeronautical purposes.

ASSUMPTIONS

1. Taxable gallons of aviation fuel should be from 33 M to 34 M gallons for FY 80 and FY 81.
2. The license tax on aviation fuel will increase from 1¢/gallon to 2¢/gallon.

FISCAL IMPACT

	<u>FY 80</u>	<u>FY 81</u>
License Tax on Aviation Fuel		
under current law	\$330,000 to 340,000	\$330,000 to 340,000
under proposed law	<u>660,000 to 680,000</u>	<u>660,000 to 680,000</u>
Estimated Increase	<u>\$330,000 to 340,000</u>	<u>\$330,000 to 340,000</u>

FUND INFORMATION

Earmarked Revenue	\$ 82,500 to 85,000	\$ 82,500 to 85,000
Revolving Fund	<u>247,500 to 255,000</u>	<u>247,500 to 255,000</u>
	<u>\$330,000 to 340,000</u>	<u>\$330,000 to 340,000</u>

LOCAL IMPACT

Additional funds will be available to be used solely to provide loans, grants, and navigational aids to local governments for aeronautical programs.

Richard L. Drury for
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: 1/25/79

Approved by Committee
on Taxation

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 17 functions pertaining to aeronautics, the expenses of members
 18 of the board, and all other disbursements necessary to carry
 19 out the purposes of this title, shall be paid out of the
 20 following revenues:
 21 (a) all gifts and all legislative appropriations to
 22 the department for aeronautics;
 23 (b) all moneys received from any branch or department
 24 of the federal government or from other sources for the
 25 purposes mentioned in this title or for the furtherance of

1 aeronautics generally in this state.
 2 (2) All such moneys shall be deposited in the state
 3 treasury to the credit of the department.
 4 (3) There shall be deposited in the earmarked revenue
 5 fund to the credit of the department the proceeds of ~~1-cent~~
 6 1 1/4 cents per gallon out of the amount per gallon of
 7 ~~gasoline aviation fuel~~ license tax imposed by the laws of
 8 this state upon purchases of ~~gasoline aviation fuel~~ used for
 9 the operation of aircraft. Moneys so deposited shall be
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1 distributor shall pay to the department of revenue a license
2 tax for the privilege of engaging in and carrying on
3 business in this state in an amount equal to ~~1-cent~~ 2 cents
4 for each gallon of aviation gasoline fuel, which shall be
5 allocated to the department of community affairs as provided
6 by 67-1-301, as amended, and 8 cents for each gallon of all
7 other gasoline distributed by him within the state and upon
8 which the gasoline license tax has not been paid by any
9 other distributor.

10 (2) Gasoline exported or sold for export out of the
11 state shall not be included in the measure of the
12 distributor's license tax."

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BY REQUEST OF THE DEPARTMENT OF COMMUNITY AFFAIRS

A BILL FOR AN ACT ENTITLED: "AN ACT TO INCREASE TO 2 CENTS A GALLON THE LICENSE TAX ON AVIATION FUEL AND TO CREATE A REVOLVING ACCOUNT OUT OF WHICH LOANS, GRANTS, AND NAVIGATIONAL AIDS MAY BE PROVIDED TO LOCAL GOVERNMENTS FOR AERONAUTICAL PURPOSES; AMENDING SECTIONS 67-1-301 AND 15-70-204, MCA."

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(a) all gifts and all legislative appropriations to the department for aeronautics;

(b) all moneys received from any branch or department of the federal government or from other sources for the purposes mentioned in this title or for the furtherance of

aeronautics generally in this state.

(2) All such moneys shall be deposited in the state treasury to the credit of the department.

(3) There shall be deposited in the earmarked revenue fund to the credit of the department the proceeds of ~~1-cent~~ 1 1/4 cents per gallon out of the amount per gallon of ~~gasoline~~ aviation fuel license tax imposed by the laws of this state upon purchases of ~~gasoline~~ aviation fuel used for the operation of aircraft. Moneys so deposited shall be spent by the department for the sole purpose of carrying out its functions pertaining to aeronautics.

~~(4) There shall be deposited in a revolving trust account to the credit of the department the proceeds of 3/4 of a cent per gallon out of the amount per gallon of aviation fuel license tax imposed by the laws of this state upon purchase of aviation fuel used for the operation of aircraft. Money so deposited shall be used solely to provide loans, grants, and navigational aids to local governments for aeronautical purposes.~~

~~(4)(5) No part of the 1-cent-per-gallon-of-gasoline aviation fuel license tax imposed by the laws of this state on gasoline aviation fuel purchased and used for the operation of airplanes or aircraft may be refunded."~~

Section 2. Section 15-70-204, MCA, is amended to read:

"15-70-204. Gasoline license tax -- rate. (1) Every

1 distributor shall pay to the department of revenue a license
2 tax for the privilege of engaging in and carrying on
3 business in this state in an amount equal to ~~1-cent~~ 2_cents
4 for each gallon of aviation gasoline fuel, which shall be
5 allocated to the department of community affairs as provided
6 by 67-1-301, as amended, and 8 cents for each gallon of all
7 other gasoline distributed by him within the state and upon
8 which the gasoline license tax has not been paid by any
9 other distributor.

10 (2) Gasoline exported or sold for export out of the
11 state shall not be included in the measure of the
12 distributor's license tax."

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