

SENATE BILL 58

IN THE SENATE

January 9, 1979

Introduced.

On motion, Senator Severson was added as author to the pre-filed bill.

Referred to Committee on Taxation.

January 10, 1979

Fiscal note requested.

January 16, 1979

Fiscal note returned.

January 25, 1979

Committee recommend bill, do not pass.

1                    SENATE BILL NO. 58  
 2 INTRODUCTION BY \_\_\_\_\_  
 3 BY REQUEST OF THE DEPARTMENT OF REVENUE

4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO AMEND SECTION  
 6 15-70-205, MCA, TO LOWER THE DISTRIBUTOR'S GASOLINE TAX  
 7 DEDUCTION FROM 2% OF THE FIRST 6 CENTS TAX TO 1% OF THE  
 8 FIRST 6 CENTS TAX."

9  
 10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

11 Section 1. Section 15-70-205, MCA, is amended to read:

12 "15-70-205. Distributor's statement and payment. (1)

13 Each distributor shall, not later than the 25th day of each  
 14 calendar month, render a true statement, duly signed, to the  
 15 department of revenue of all gasoline distributed and  
 16 received by him in this state during the preceding calendar  
 17 month and containing such other information as the  
 18 department may reasonably require in order to administer the  
 19 gasoline license tax law. The statement shall be accompanied  
 20 by a payment in an amount equal to the tax imposed by  
 21 15-70-204 less any refund credit issued under 15-70-226 and  
 22 less ~~2%~~ 1% of the first 6 cents tax which shall be deducted  
 23 by the distributor as an allowance for evaporation and other  
 24 loss of gasoline distributed by such distributor; provided,  
 25 however, that no such allowance shall be deducted from the 1

1 cent tax on aviation gasoline.  
 2 (2) Any distributor engaged in or carrying on his  
 3 business at more than one place or location in this state  
 4 may include all such places of business in one statement."

-End-

## STATE OF MONTANA

REQUEST NO. 11-79

## FISCAL NOTE

Form BD-15

In compliance with a written request received January 10, 19 79, there is hereby submitted a Fiscal Note for Senate Bill 58 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

An act to lower the distributor's gasoline tax deduction from 2% of the first 6 cents to 1% of the first 6 cents tax.

ASSUMPTIONS

- (1) Taxable gallons of gasoline will grow 3%-4% per year.
- (2) The current effective tax is 7.88¢ per gallon.
- (3) Administrative costs will remain unchanged.
- (4) The proposed effective tax would be 7.94¢ per gallon.

FISCAL IMPACT

Earmarked Revenue Fund Gasoline Tax Collections	<u>FY 80</u>	<u>FY 81</u>
under current law	\$43,003,755 to 43,842,832	\$44,293,867 to \$45,596,546
under proposed law	<u>43,331,194 to 44,176,661</u>	<u>44,631,130 to 45,943,728</u>
ESTIMATED INCREASE	<u>\$ 327,439 to 333,829</u>	<u>\$ 337,263 to 347,182</u>

LONG-RANGE EFFECTS

The proposed legislation should increase revenues by \$350,000 to \$400,000 per year for fiscal years 1982, 1983, 1984, 1985.

PREPARED BY DEPARTMENT OF REVENUE

*Richard L. Drangor*  
BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1/10/79