

CHAPTER NO. 621

SENATE BILL NO. 358

INTRODUCED BY REGAN, LOWE, CONOVER, HAGER,
THOMAS, TOWE, BLAYLOCK

IN THE SENATE

February 3, 1979	Introduced and referred to Committee on Taxation.
February 6, 1979	Fiscal note requested.
February 8, 1979	Fiscal note returned.
March 15, 1979	Committee recommend bill do pass as amended. Report adopted.
March 17, 1979	Printed and placed on members' desks.
March 19, 1979	Motion pass consideration.
March 20, 1979	Second reading, do pass as amended.
March 22, 1979	Correctly engrossed.
March 23, 1979	Third reading, passed. Transmitted to second house.

IN THE HOUSE

March 24, 1979	Introduced and referred to Committee on Taxation.
April 16, 1979	Committee recommend bill be concurred in as amended. Report adopted.
April 18, 1979	*Second reading, concurred in as amended. *Committee of Whole amendments strike Standing Committee amendments. Third reading, concurred in.

IN THE SENATE

April 19, 1979

Returned from second house.
Concurred in. Sent to
enrolling.

Reported correctly enrolled.

1 *Sen. Hager* BILL NO. *358*
 2 INTRODUCED BY *Rep. Tom Cooney Hager Illness Tax*
 3 *Blaylock*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE IMPOSITION
 5 OF A COUNTY MOTOR FUEL EXCISE TAX TO DERIVE REVENUE FOR
 6 STREETS AND ROADS."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

9 Section 1. Local option motor fuel tax authorized. (1)
 10 The governing body of a county or the people of a county by
 11 initiative may impose a motor fuel excise tax of not more
 12 than 2 cents per gallon upon gasoline and special fuels
 13 distributed within the county for use in motor vehicles
 14 operated upon public streets and roads.

15 (2) A county imposing the tax authorized under
 16 subsection (1) shall provide a means to provide refunds to
 17 persons who have paid the tax on motor fuel for uses other
 18 than on public streets and roads.

19 (3) The terms "gasoline" and "special fuels" have the
 20 meanings ascribed to them in 15-70-201 and 15-70-301.

21 Section 2. Use of local motor fuel tax revenue. A
 22 county receiving revenue from the tax authorized by [section
 23 1] may use the revenue derived only for the construction,
 24 reconstruction, maintenance, and repair of public streets
 25 and roads.

1 Section 3. Allocation of revenue from county-imposed
 2 motor fuel tax. Revenue derived from a motor fuel tax
 3 imposed by a county under [section 1] must be divided among
 4 the county and municipalities in the county in the
 5 proportion of motor vehicles registered in the county
 6 outside of the municipalities to those registered within the
 7 municipalities during the preceding year.

-End-

-2- *SE 358*
 INTRODUCED BILL

STATE OF MONTANA

Request No. 244-79

FISCAL NOTE

Form BD-15

In compliance with a written request received February 6, 1979, there is hereby submitted a Fiscal Note for Senate Bill 358 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 OF PROPOSED LEGISLATION:

Senate Bill 358 authorizes counties to impose up to a 2¢ per gallon motor fuels excise tax for streets and roads.

ASSUMPTIONS:

1. The 32 counties currently assessing the maximum statutory road fund levy will impose a 1¢ motor fuel excise tax during each year of the biennium.
2. Motor fuel consumption is a factor of county and city population and road (street) mileage.
3. Motor fuel consumption will increase by 3% during each year of the biennium.

LOCAL IMPACT:

	<u>1980</u>	<u>1981</u>
New revenue under proposed law	<u>\$2,645,679</u>	<u>\$2,725,049</u>

COMMENT:

No estimate of county administrative costs were made since the bill does not specify whether the motor fuels excise tax would be collected at the wholesale or retail level.

Richard L. Drayton
 BUDGET DIRECTOR
 Office of Budget and Program Planning
 Date: 2/8/79

Approved by Committee
on Taxation

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OF A COUNTY MOTOR FUEL EXCISE TAX TO DERIVE REVENUE FOR
STREETS AND ROADS."

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Section 1. Local option motor fuel tax authorized. (1)
~~The governing body of a county or the~~ ~~THE~~ people of a county
by initiative may impose a motor fuel excise tax of not more
than 2 cents per gallon upon gasoline and special fuels
distributed within the county for use in motor vehicles
operated upon public streets and roads.

(2) A county imposing the tax authorized under
subsection (1) shall provide a means to provide refunds to
persons who have paid the tax on motor fuel for uses other
than on public streets and roads.

(3) The terms "gasoline" and "special fuels" have the
meanings ascribed to them in 15-70-201 and 15-70-301.

Section 2. Use of local motor fuel tax revenue. A
county receiving revenue from the tax authorized by [section
1] may SHALL use the revenue derived only for the
construction, reconstruction, maintenance, and repair of

public streets and roads.

Section 3. Allocation of revenue from county-imposed
motor fuel tax. Revenue derived from a motor fuel tax
imposed by a county under [section 1] must be divided among
the county and municipalities in the county in the
proportion of motor vehicles registered in the county
outside of the municipalities to those registered within the
municipalities during the preceding year.

-End-

SENATE BILL NO. 358

INTRODUCED BY REGAN, LOWE, CONOVER, HAGER,

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A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE IMPOSITION OF A COUNTY MOTOR FUEL EXCISE TAX TO DERIVE REVENUE FOR STREETS AND ROADS."

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

Section 1. Local option motor fuel tax authorized. (1) The-governing-body-of-a-county-or-the IME people of a county by initiative may impose a motor fuel excise tax of not more than 2 cents per gallon upon gasoline and-spectat-fuels distributed within the county for use in motor vehicles operated upon public streets and roads.

(2) A county imposing the tax authorized under subsection (1) shall provide a means to provide refunds to persons who have paid the tax on motor fuel for uses other than on public streets and roads.

(3) The terms IERM "gasoline" and-"spectat-fuels"-have HAS the meanings MEANING ascribed to them II in 15-70-201 and-15-70-301.

Section 2. Use of local motor fuel tax revenue. III A county OR MUNICIPALITY receiving revenue from the tax authorized by [section 1] may SHALL use the revenue derived

only for the construction, reconstruction, maintenance, and repair of public streets and roads.

~~(2) THREE TWO PERCENT OF THE MOTOR FUEL TAX REVENUE COLLECTED IN A COUNTY IS ALLOCATED TO THE COUNTY GOVERNING BODY FOR USE IN ADMINISTERING THE TAX; ONE PERCENT OF THE MOTOR FUEL TAX REVENUE IN A COUNTY IS TO BE REIMBURSED AT THE POINT OF COLLECTION FOR USE IN ADMINISTERING THE TAX.~~

Section 3. Allocation of revenue from county-imposed motor fuel tax. Revenue derived from a motor fuel tax imposed by a county under [section 1] must be divided among the county and municipalities in the county in the proportion of motor vehicles registered in the county outside of the municipalities to those registered within the municipalities during the preceding year.

SECTION 4. THERE IS A NEW MCA SECTION THAT READS:

Penalties. Penalties for violation of [this act] shall be the same as provided in 15-70-232.

-End-

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A BILL FOR AN ACT ENTITLED: "AN ACT TO AUTHORIZE IMPOSITION OF A COUNTY MOTOR FUEL EXCISE TAX TO DERIVE REVENUE FOR STREETS AND ROADS."

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

Section 1. Local option motor fuel tax authorized. (1) The governing body of a county or the people of a county by initiative may impose a motor fuel excise tax of not more than 2 cents per gallon upon gasoline and special fuels distributed within the county for use in motor vehicles operated upon public streets and roads.

(2) ~~A county imposing the tax authorized under subsection (1) shall provide a means to provide refunds to persons who have paid the tax on motor fuel for uses other than on public streets and roads. A COUNTY IMPOSING THE TAX AUTHORIZED UNDER SUBSECTION (1) SHALL PROVIDE A MEANS TO PROVIDE REFUNDS TO PERSONS WHO HAVE PAID THE TAX ON MOTOR FUEL FOR USES OTHER THAN ON PUBLIC STREETS AND ROADS. REFUNDS TO PERSONS WHO HAVE PAID THE TAX ON GASOLINE FOR USE OTHER THAN ON PUBLIC STREETS AND ROADS ARE AUTHORIZED AS PROVIDED FOR IN 15-70-221.~~

(3) The terms ~~TERM~~ "gasoline" and ~~"special fuels"~~ have HAS the meanings MEANING ascribed to them ~~II~~ in 15-70-201 and ~~15-70-301~~.

Section 2. Use of local motor fuel tax revenue. (1) A county ~~OR MUNICIPALITY~~ receiving revenue from the tax authorized by [section 1] ~~may~~ SHALL use the revenue derived only for the construction, reconstruction, maintenance, and repair of public streets and roads.

(2) THREE TWO PERCENT OF THE MOTOR FUEL TAX REVENUE COLLECTED IN A COUNTY IS ALLOCATED TO THE COUNTY GOVERNING BODY FOR USE IN ADMINISTERING THE TAX; ONE PERCENT OF THE MOTOR FUEL TAX REVENUE IN A COUNTY IS TO BE REIMBURSED AT THE POINT OF COLLECTION FOR USE IN ADMINISTERING THE TAX.

Section 3. Allocation of revenue from county-imposed motor fuel tax. Revenue derived from a motor fuel tax imposed by a county under [section 1] must be divided among the county and municipalities in the county in the proportion of motor vehicles registered in the county outside of the municipalities to those registered within the municipalities during the preceding year.

SECTION 4. THERE IS A NEW MCA SECTION THAT READS:

Penalties. Penalties for violation of [this act] shall be the same as provided in 15-70-232.

-End-

HOUSE OF REPRESENTATIVES
APRIL 13, 1979

Committee on Taxation amendments on Senate Bill No. 358,
third reading copy, as follows:

1. Page 1, lines 16 through 19.

Following: "(2)"

Strike: Remainder of line 16 through line 19.

Insert: "Refunds to persons who have paid the tax on
gasoline for use other than on public streets and roads
are authorized as provided for in 15-70-221."

AND AS AMENDED
BE CONCURRED IN

HOUSE OF REPRESENTATIVES

April 18, 1979

Committee of the Whole amendment to Committee on Taxation amendment to Senate Bill No. 358, third reading copy, as follows:

1. Strike amendment No. 1 in its entirety.

AND AS AMENDED,
BE CONCURRED IN