

House Bill 338

In The House

January 19, 1981	Introduced and referred to Committee on Taxation.
January 21, 1981	Fiscal note requested.
January 26, 1981	Fiscal note returned.
April 23, 1981	Died in Committee.

1 HOUSE BILL NO. 338
2 INTRODUCED BY *Endre*

4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CHANGE THE DATES
5 WHEN THE VARIOUS GASOLINE LICENSE TAX RATES FOR GASOHOL
6 APPLY; TO PROVIDE FOR DEPOSIT OF THE CORPORATE LICENSE TAX
7 ATTRIBUTABLE TO GASOHOL PRODUCTION IN THE DEPARTMENT OF
8 HIGHWAYS EARMARKED REVENUE FUND; AND TO ABOLISH THE
9 GOVERNOR'S POWER TO SUSPEND THE REDUCED RATE OF TAX ON
10 GASOHOL; AMENDING SECTION 15-70-204, MCA; REPEALING SECTION
11 3. CHAPTER 576, LAWS OF 1979."

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

14 Section 1. Section 15-70-204, MCA, is amended to read:

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

16 distributor shall pay to the department of revenue a license

17 tax for the privilege of engaging in and carrying on

18 business in this state in an amount equal to 1 cent for each

19 gallon of aviation gasoline, which shall be allocated to the

20 department of community affairs as provided by 67-1-301, as

21 amended, and 8 cents for each gallon of all other gasoline

22 distributed by him within the state and upon which the

23 gasoline license tax has not been paid by any other

24 distributor.

25 (2) Gasoline exported or sold for export out of the

1 state shall not be included in the measure of the
2 distributor's license tax.

5 (a) beginning April 1, 1979, gasohol shall be taxed at
6 the rate of 2 cents per gallon;

7 (b) beginning April 1, 1985 1984, gasohol shall be
8 taxed at the rate of 4 cents per gallon;

9 (c) beginning April 1, 1987 1986, gasohol shall be
10 taxed at the rate of 6 cents per gallon

11 fd) beginning April 1, 1988, gasohol shall be taxed at
12 the rate of 8 cents per gallon.

13 (4) If at any time the gasoline license tax is lower
14 than the current applicable tax on gasohol, the lower tax
15 rate shall be adopted for gasohol."

16 NEW SECTION Section 2. Tax on income derived from
17 gasohol production -- deposit to highway revenue fund. The
18 tax collected pursuant to 15-31-121 on net income derived
19 from gasohol production must be transmitted to the state
20 treasurer who shall deposit it in the earmarked revenue fund
21 to the credit of the department of highways.

22 Section 3. Repealer. Section 3, Chapter 576, Laws of
23 1979, is repealed.

-End-

INTRODUCED BILL

-2-

HB 338

STATE OF MONTANA

171-81
REQUEST NO.

FISCAL NOTE

Form BD-15

In compliance with a written request received January 23, 1981, there is hereby submitted a Fiscal Note for HOUSE BILL 338 pursuant to Title 5, Chapter 4, Part 2 of the Montana Code Annotated (MCA).

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 change the dates when the various gasoline license tax rates for gasohol apply; to provide for deposit of the corporate license tax attributable to gasohol production in the Department of Highways earmarked revenue fund and to abolish the governor's power to suspend the reduced rate of tax on gasohol.

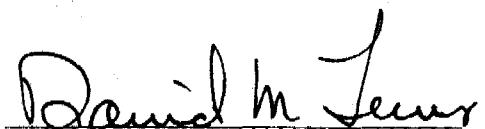
FISCAL IMPACT

The change in dates when the various gasoline license tax rates for gasohol apply would have no fiscal impact during the biennium. The corporation tax revenue from gasohol production cannot be estimated for the biennium, but it should have minimal fiscal impact on the highway revenue fund.

LONG RANGE EFFECTS

The proposed legislation should have minimal fiscal impact on gasoline license tax revenues and the highway revenue fund.

PREPARED BY THE DEPARTMENT OF REVENUE



BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 1-26-81