

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.

HOUSE BILL NO. 338

INTRODUCED BY

Handwritten signature

A BILL FOR AN ACT ENTITLED: "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; AMENDING SECTION 15-70-204, MCA; REPEALING SECTION 3, CHAPTER 576, LAWS OF 1979."

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

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

"15-70-204. Gasoline license tax -- rate. (1) Every distributor shall pay to the department of revenue a license tax for the privilege of engaging in and carrying on business in this state in an amount equal to 1 cent for each gallon of aviation gasoline, which shall be allocated to the department of community affairs as provided by 67-1-301, as amended, and 8 cents for each gallon of all other gasoline distributed by him within the state and upon which the gasoline license tax has not been paid by any other distributor.

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

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

(3) Gasohol shall be subject to gasoline license taxes in accordance with the following schedule:

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

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

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

~~(d) beginning April 1, 1988, gasohol shall be taxed at the rate of 8 cents per gallon.~~

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

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

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 Section 3, Chapter 576, Laws of 1979, is repealed.

-End-

INTRODUCED BILL

-2-

HB 338

STATE OF MONTANA

REQUEST NO. 171-81

FISCAL NOTE

Form BD-15

In compliance with a written request received January 23, 19 81, 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.

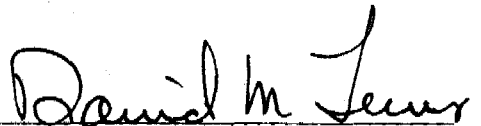
FISCAL IMPACT

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