

HOUSE BILL NO. 319

1/22 Introduced
1/22 Referred to Taxation
1/23 Fiscal Note Requested
1/28 Fiscal Note Received
1/30 Hearing
Died in Committee

1 HOUSE BILL NO. 319
2 INTRODUCED BY

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT ALLOWING GASOLINE
5 DISTRIBUTORS TO DEDUCT 2 PERCENT OF TAX UNDER 15-70-204 AS
6 EVAPORATION ALLOWANCE; AMENDING 15-70-205, MCA."

7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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

10 "15-70-205. Distributor's statement and payment. (1)
11 Each distributor shall, not later than the 25th day of each
12 calendar month, render a true statement, duly signed, to the
13 department of revenue of all gasoline distributed and
14 received by him in this state during the preceding calendar
15 month and containing such other information as the
16 department may reasonably require in order to administer the
17 gasoline license tax law. The statement shall be accompanied
18 by a payment in an amount equal to the tax imposed by
19 15-70-204 less any refund credit issued under 15-70-226 and
20 less 2% of ~~the--first--6-cents~~ an amount equal to the tax
21 imposed by 15-70-204 which shall be deducted by the
22 distributor as an allowance for evaporation and other loss
23 of gasoline distributed by such distributor; provided,
24 however, that no such allowance shall be deducted from the 1
25 cent tax on aviation gasoline.

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

-End-



STATE OF MONTANA
FISCAL NOTE

REQUEST NO. FNN 178-85

Form BD-15

In compliance with a written request received January 24, 19 85, there is hereby submitted a Fiscal Note for H.B. 319 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 OF PROPOSED LEGISLATION:

An act allowing gasoline distributors to deduct 2 percent of tax under 15-70-204 as evaporation allowance; amending 15-70-205, MCA.

ASSUMPTIONS:

1. Gasoline License Tax revenues - FY 86 and FY 87 - \$64,281,000 (Department of Highway estimate).
2. Current refund credit - 2% of first 6 cents of tax.
3. Current effective tax rate - \$.1488 (.15 - (.02 x .06)).
4. Gallonage - 432,000,000 gallons.
5. Proposed refund credit - 2% of tax (15 cents/gallon).
6. Proposed effective tax rate - \$.147 (.15 - (.02 x .15)).

FISCAL IMPACT:

	<u>Under</u> <u>Current Law</u>	<u>FY 86</u> <u>Under</u> <u>Proposed Law</u>	<u>Estimated</u> <u>Decrease</u>	<u>Under</u> <u>Current Law</u>	<u>FY 87</u> <u>Under</u> <u>Proposed Law</u>	<u>Estimated</u> <u>Decrease</u>
Gasoline License Tax	\$ 64,281,600	\$ 63,504,000	(\$ 777,600)	\$ 64,281,600	\$ 63,504,000	(\$ 777,600)
Fund Information:						
Earmarked Special Revenue Fund	\$ 64,281,600	\$ 63,504,000	(\$ 777,600)	\$ 64,281,600	\$ 63,504,000	(\$ 777,600)
Department of Highways						

David L. Hunter

BUDGET DIRECTOR
Office of Budget and Program Planning

Date: JAN 28, 1985

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