

First Extraordinary Session, 2005

SENATE BILL NO. 59

BY SENATOR ELLINGTON

TAX/TAXATION. Grants a full refund or full exemption from gasoline, special fuels, and annual flat rate or variable rate taxes for all school bus owners, public and private. (1/1/06)

1 AN ACT  
2 To amend and reenact R.S. 47:715.1(A), 802.3(F), 818.15(A)(1), and 818.102(D), relative  
3 to fuel taxes; to provide for a refund or an exemption of all gasoline, special fuel, or  
4 flat rate and variable rate taxes paid by school bus owners; and to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 47:715.1(A), 802.3(F), 818.15(A)(1), and 818.102(D) are hereby  
8 amended and reenacted to read as follows:

9 §715.1. Reimbursement of funds; school buses

10 A. ~~Contract drivers of all privately owned school buses~~ **Any owners of**  
11 **school buses, including school boards,** transporting Louisiana students shall qualify  
12 for a refund of ~~three-fourths~~ **all** of the gasoline tax and special fuels tax provided for  
13 in this Chapter. The reimbursement provided by this Section shall be paid from the  
14 Parish Transportation Fund allocable to the parish from which the reimbursement is  
15 claimed. This refund shall not extend to commercial buses which transport students  
16 only incidentally as a part of the operator's regular business. This refund shall extend  
17 to all ~~contract~~ school buses transporting Louisiana students whether such students

1 are in public or private schools and whether they are preschool, elementary,  
2 secondary, or postsecondary school students.

3 \* \* \*

4 §802.3. Users of liquefied petroleum gas or compressed gas annual fuel tax; certain  
5 vehicles excepted

6 \* \* \*

7 F. The owner of any school bus, including school board owned buses, which  
8 transports Louisiana students and which is propelled by an internal combustion  
9 engine or motor capable of using liquefied petroleum gas or compressed natural gas  
10 as fuel shall ~~pay the special fuels tax by paying an annual flat rate in the amount of~~  
11 ~~one-half of the lesser of the regular flat rate or one-half of the variable rate as~~  
12 ~~determined in Subsection A of this Section. In the event of an increase or reduction~~  
13 ~~of the sixteen cent per gallon special fuels tax, the annual flat rate shall be based on~~  
14 ~~one-half of~~ **be exempt from** the flat rate **and variable rate tax** levied under the  
15 provisions of Subsection A of this Section **and any other special fuels tax.**

16 \* \* \*

17 §818.15. Use subject to refund of taxes paid

18 A. End users who purchase tax-paid gasoline or diesel fuel have the right to  
19 apply for a refund of applicable fuel taxes in the following circumstances:

20 (1) ~~Contract drivers of all privately owned school buses~~ **Any owners of**  
21 **school buses, including school boards,** transporting Louisiana students may qualify  
22 for a refund of ~~one-half~~ **all** of the gasoline or diesel fuel tax provided for in this  
23 Subpart. This refund shall not extend to commercial buses that transport students  
24 only incidentally as a part of the operator's regular business.

25 \* \* \*

26 §818.102. Users of liquefied natural gas, liquefied petroleum gas, or compressed  
27 natural gas annual fuel tax; certain vehicles excepted

28 \* \* \*

29 D. The owner of any school bus, including school board owned buses, which

1 transports Louisiana students and which is propelled by an internal combustion  
 2 engine or motor capable of using liquefied natural gas, liquefied petroleum gas, or  
 3 compressed natural gas as fuel shall ~~pay the special fuels tax by paying an annual flat~~  
 4 ~~rate in the amount of one-half of the regular flat rate. In the event of an increase or~~  
 5 ~~reduction of the sixteen-cent-per-gallon special fuels tax, the annual flat rate shall be~~  
 6 ~~based on one-half of~~ **be exempt from** the flat rate **and variable rate tax** levied  
 7 under the provisions of Subsection A of this Section **and any other special fuels**  
 8 **tax.**

9 Section 2. In the event that owners of school buses have already paid the flat rate tax  
 10 imposed on school buses with engines propelled by an internal combustion engine or motor  
 11 capable of using liquefied natural gas, liquefied petroleum gas, or compressed natural gas,  
 12 an amount of tax pro-rated according to the portion of the year which was taxable and the  
 13 portion exempt shall be refunded.

14 Section 3. This Act shall become effective January 1, 2006.

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The original instrument and the following digest, which constitutes no part  
 of the legislative instrument, were prepared by Riley Boudreaux.

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#### DIGEST

Present law authorizes a refund of three-fourths of gasoline or special fuels tax paid by contract drivers of all privately-owned school buses transporting Louisiana students. The refund is to be paid from the Parish Transportation Fund of the parish from which the reimbursement is claimed. The refund is for all contract school buses transporting Louisiana students whether such students are in public or private schools and whether they are preschool, elementary, secondary, or postsecondary school students.

Present law, the "Tax-at-the-Rack" law, as recently enacted by Act No. 252 of 2005 R.S. authorizes a refund of one-half of such tax and contains no provision for payment from a parish's Parish Transportation Fund allocation.

Present law grants the owner of any school bus, including school board owned buses, which is propelled by an internal combustion engine or motor capable of using liquefied petroleum gas, liquefied natural gas, or compressed natural gas as fuel, the benefit of paying the lesser of one-half of the annual flat rate or the variable rate which is imposed on such vehicles.

Proposed law grants a refund, to both private and public school buses, of all gasoline and special fuel taxes paid and requires such buses to pay none of the flat rate or variable rate taxes for liquefied petroleum gas or compressed natural gas.

Requires a refund of a pro-rated portion of the annual rate tax paid for using liquefied petroleum gas, liquefied natural gas, or compressed natural gas.

Effective January 1, 2006.

(Amends R.S. 47:715.1(A), 802.3(F), 818.15(A)(1), and 818.102(D))