HLS 15RS-1268 ORIGINAL

2015 Regular Session

HOUSE BILL NO. 639

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BY REPRESENTATIVE ROBIDEAUX

TAX/GASOLINE TAX: (Constitutional Amendment) Authorizes local governing authorities to levy an excise tax on certain motor fuels

A JOINT RESOLUTION

2	Proposing to amend Article VII, Sections 4(C) and 27(B) of the Constitution of Louisiana,
3	relative to excise taxes on motor fuels; to authorize certain political subdivisions to
4	levy an excise tax on certain motor fuels; to provide for the use of the monies; to
5	provide for certain requirements and limitations; to provide for submission of the
6	proposed amendment to the electors; and to provide for related matters.
7	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
8	elected to each house concurring, that there shall be submitted to the electors of the state of
9	Louisiana, for their approval or rejection in the manner provided by law, a proposal to
10	amend Article VII, Sections 4(C) and 27(B) of the Constitution of Louisiana, to read as
11	follows:
12	§4. Income Tax; Severance Tax; Political Subdivisions
13	Section 4.
14	* * *
15	(C) Political Subdivisions; Prohibitions. A political subdivision of the state
16	shall not levy a severance tax, income tax, or an inheritance tax, or tax on motor fuel.
17	Political subdivisions of the state may levy an excise tax on gasoline, motor fuels,
18	and special fuels.
19	* * *
20	§27. Transportation Trust Fund

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

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Section 27.

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(B) The monies in the trust fund shall be appropriated or dedicated solely and exclusively for the costs for and associated with construction and maintenance of the roads and bridges of the state and federal highway systems, the Statewide Flood-Control Program or its successor, ports, airports, transit, state police for traffic control purposes, and the Parish Transportation Fund or its successor and for the payment of all principal, interest, premium, if any, and other obligations incident to the issuance, security, and payment in respect of bonds or other obligations payable from the trust fund as authorized in Paragraph (D) hereof. Unless pledged to the repayment of bonds authorized in Paragraphs (C) or (D) of this Section, the monies in the trust fund allocated to ports, airports, flood control, parish transportation, and state highway construction shall be appropriated annually by the legislature only pursuant to programs established by law which establish a system of priorities for the expenditure of such monies, except that the Transportation Infrastructure Model for Economic Development, which shall include only those projects enumerated in House Bill 17 of the 1989 First Extraordinary Session of the Legislature* and US Highway 61 from Thompson Creek to the Mississippi Line, in lieu of "US 61-Bains to Mississippi Line", and US Highway 165 from I-10 to Alexandria to Monroe to Bastrop and thence on US Highway 425 from Bastrop to the Arkansas Line, in lieu of "US 165-I-10 Alexandria-Monroe-Bastrop-Arkansas Line" and LA 15-Natchez, Mississippi to Chase in lieu of "LA 15-Natchez, Mississippi to Monroe", shall be funded as provided by law. The state generated tax monies appropriated for ports, Parish Transportation Fund, or its successor, and the Statewide Flood-Control Program, or its successor, and state police for traffic control purposes shall not exceed twenty percent annually of the state generated tax revenues in the trust fund; provided, however, that no less than the avails of one cent of the tax on gasoline and special fuels shall be appropriated each year to the Parish Transportation Fund, or its successor. The annual appropriation for airports shall be a sum equal to, but not 1

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greater than, the annual estimated revenue to be derived from the state taxes to be collected and received on aviation fuel. The proceeds of any tax levied by a political subdivision on gasoline, motor fuels, and special fuels shall be deposited into the trust fund and used solely and exclusively for costs associated with construction and maintenance of state, federal, or local roads and bridges in their respective jurisdiction. The amount of monies received by each parish from the trust fund as a result of the levy of the local tax shall be equal to the amount of taxes collected on sales of gasoline, motor fuels, and special fuels sold in each respective parish that levies the tax. The Legislature may provide for distribution of these monies by law. Unencumbered and unexpended balances at the end of each fiscal year shall remain in the trust fund. The earnings realized in each fiscal year on the investment of monies in the trust fund shall be deposited in and credited to the trust fund. Section 2. Be it further resolved that this proposed amendment shall be submitted to the electors of the state of Louisiana at the statewide election to be held on October 24, 2015. Section 3. Be it further resolved that on the official ballot to be used at the election, there shall be printed a proposition, upon which the electors of the state shall be permitted to vote YES or NO, to amend the Constitution of Louisiana, which proposition shall read as follows: Do you support an amendment to authorize a parish governing authority to levy an excise tax on gasoline, motor fuel, and special fuels for use on highway construction and maintenance projects in their parish? (Amends

Article VII, Section 4(C) and 27(B))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 639 Original

2015 Regular Session

Robideaux

Abstract: Authorizes political subdivisions to levy an excise tax on gasoline, motor fuels, and special fuels for highway construction and maintenance projects in their parishes.

<u>Present constitution</u> prohibits the levy of a severance tax, income tax, inheritance tax or tax on motor fuels by a political subdivision.

<u>Proposed constitutional amendment</u> changes <u>present constitution</u> by authorizing a parish governing authority, to levy an excise tax on gasoline, motor fuels, and special fuels.

<u>Present constitution</u> establishes the Transportation Trust Fund as a special treasury fund and requires that all state taxes levied on gasoline and motor fuels be deposited annually into the fund. The current state excise taxes on gasoline and motor fuels total 20 cents per gallon. Monies in the fund are used to provide for construction and maintenance of roads and bridges of the state and federal highway systems, the Statewide Flood-Control Program, ports, airports, transit, state police for traffic control purposes, and the Parish Transportation Fund. Further, <u>present constitution</u> prohibits the levy of any state or local sales tax on gasoline and motor fuels.

<u>Proposed constitutional amendment</u> retains <u>present constitution</u> but adds requirement that the proceeds of any tax levied by a political subdivision on gasoline, motor fuels, and special fuels shall be deposited into the trust fund and used solely and exclusively for costs associated with construction and maintenance of state, federal, or local roads and bridges in their respective jurisdiction. Further requires the amount of monies received by each parish from the trust fund as a result of the levy of the local tax shall be equal to the amount of taxes collected on sales of gasoline, motor fuels, and special fuels sold in each respective parish that levies the tax.

Provides for submission of the proposed amendment to the voters at the statewide election to be held October 24, 2015.

(Amends Const. Art. VII, §4(C) and 27(B))