

2016 Regular Session

HOUSE RESOLUTION NO. 242

BY REPRESENTATIVE JAMES

TAX/GASOLINE TAX: Urges and requests the Department of Transportation and Development to study levying additional taxes on gasoline

1 A RESOLUTION

2 To urge and request the Department of Transportation and Development to study the
3 feasibility of a parish governing authority levying and collecting a sales tax on the
4 retail sale of gasoline and to report the findings to the House Committee on Ways
5 and Means, the House Committee on Transportation, Highways and Public Works,
6 and to the member of the House of Representatives representing House District
7 Number 101 on or before February 1, 2017.

8 WHEREAS, the Constitution of Louisiana prohibits a political subdivision of the
9 state from levying a tax on motor fuel; and

10 WHEREAS, a constitutional amendment could authorize a parish governing
11 authority to levy and collect a sales tax on retail sales of motor fuels, thereby raising revenue
12 and reducing dependency on state funding for transportation projects, while also creating
13 opportunities to enhance local transportation networks; and

14 WHEREAS, gasoline taxes are an important source of state revenue and are deemed
15 to be the most important source of funding for transportation infrastructure projects across
16 the country; and

17 WHEREAS, roads and streets are critical assets for local communities and many of
18 these assets are deteriorating as the state has reduced its contributions and the cost of
19 maintenance steadily increases; and

20 WHEREAS, in an effort to alleviate the backlog of local transportation projects,
21 parishes have looked to new local funding options, such as local gasoline taxes; and

1 WHEREAS, ongoing road maintenance is a significant public safety concern and the
2 failure to adequately maintain local streets, traffic signals, signs, and street lights has a direct
3 correlation to traffic accidents, injuries, and deaths; and

4 WHEREAS, gasoline tax revenues have fallen short of infrastructure spending needs,
5 primarily due to the fact that fixed, per-gallon gasoline tax rates have often stagnated while
6 construction costs have grown; and

7 WHEREAS, taxes and fees paid by drivers, most of which is a gasoline tax, now
8 make up a smaller share of total highway funding than at any point since the Interstate
9 Highway System was created due to flaws in design of the gasoline tax; and

10 WHEREAS, Louisiana's gasoline tax is among the lowest in the country and the
11 implementation of gasoline taxes imposed by a parish governing authority can make up for
12 a decline in revenue; and

13 WHEREAS, the severity of the transportation funding problem across the state
14 necessitates the exploration of new revenue options, such as the ability for parish governing
15 authorities to levy a gasoline tax.

16 THEREFORE, BE IT RESOLVED that the House of Representatives of the
17 Legislature of Louisiana does hereby urge and request the Department of Transportation and
18 Development to study the feasibility of a parish governing authority levying taxes on
19 gasoline.

20 BE IT FURTHER RESOLVED, in studying the viability of a sales tax on the retail
21 sale of gasoline, the Department of Transportation and Development shall consider and
22 determine the following:

23 (1) How local gasoline taxes levied by a parish governing authority of the state could
24 benefit the state of Louisiana and whether those benefits outweigh any disadvantages to the
25 state and its residents?

26 (2) Whether an increase in gasoline taxes levied by a parish governing authority
27 could be structured in such a way as to withstand future increases in fuel efficiency and
28 construction costs?

29 (3) Whether additional gasoline taxes would allow various parish governing
30 authorities to remain competitive with neighboring political subdivisions?

1 (4) How much additional revenue could be generated by the implementation of a
2 gasoline tax by a parish governing authority?

3 (5) What method of implementation would be most beneficial to the state of
4 Louisiana?

5 BE IT FURTHER RESOLVED that the Department of Transportation and
6 Development shall work in conjunction with the Louisiana Police Jury Association and the
7 Louisiana Municipal Association to determine the most advantageous and effective method
8 for a parish governing authority to levy a gasoline tax.

9 BE IT FURTHER RESOLVED that the Department of Transportation and
10 Development shall complete a written report addressing the feasibility of a parish governing
11 authority levying taxes on gasoline and submit the report to the House Committee on Ways
12 and Means, the House Committee on Transportation, Highways and Public Works, and to
13 the member of the House of Representatives representing House District Number 101 on or
14 before February 1, 2017.

15 BE IT FURTHER RESOLVED that a copy of this Resolution be forwarded to the
16 secretary of the Department of Transportation and Development, the president of the
17 Louisiana Police Jury Association, and the president of the Louisiana Municipal Association.

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)]

HR 242 Original

2016 Regular Session

James

Urges and requests the Dept. of Transportation and Development to study the feasibility of a parish governing authority imposing gasoline taxes.

Requires the study to consider and determine the effects that a parish governing authority implementing gasoline taxes would produce, including the advantages to the state, the implementation and maintenance of the tax once imposed, the competitive advantages and disadvantages, and the potential increase of revenue.

Requires the Dept. of Transportation and Development to work in conjunction with the La. Police Jury Association and the La. Municipal Association to determine the most advantageous manner in which a parish governing authority should impose gasoline taxes.

Requires the Dept. of Transportation and Development to submit a written report to the House Committee on Ways and Means, the House Committee on Transportation, Highways and Public Works, and to the member of the House of Representatives representing House District No. 101 on or before Feb. 1, 2017.