SLS 18RS-95 ORIGINAL

2018 Regular Session

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SENATE BILL NO. 444

BY SENATORS WHITE, ERDEY AND LAMBERT

TAX/SALES. Provides for the dedication of sales tax on motor vehicles to the Transportation Trust Fund. (8/1/18)

AN ACT

2	To amend and reenact R.S. 48:77(A) and (B)(3), relative to the Transportation Trust Fund;
3	to provide for the dedication of certain state sales and use taxes for transportation
4	purposes; to provide for an effective date; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 48:77(A) and (B)(3) are hereby amended and reenacted to read as
7	follows:
8	§77. Transportation Trust Fund; dedication and uses of certain monies for
9	transportation purposes
10	A.(1) Beginning Fiscal Year 2017-2018 and each year thereafter, from the
11	avails of the taxes imposed by Chapters 2, 2-A, and 2-B Chapter 6 of Subtitle II of
12	Title 47 of the Louisiana Revised Statutes of 1950 from the sale, use, lease or rental,
13	the distribution, the consumption, and the storage for use or consumption of motor
14	vehicles which are taxable pursuant to said Chapters 2, 2-A, and 2-B, and after
15	satisfying the requirements of Article VII, Section 9(B) of the Constitution of
16	Louisiana relative to the Bond Security and Redemption Fund, the treasurer shall
17	deposit an amount equal to an increase in general fund revenues as certified by the

1	Revenue Estimating Conference as being attributable to the provisions of Acts 2015,
2	No. 257, but not in excess of one hundred million dollars per fiscal year, to the funds
3	to be dedicated for use as provided by Subsection B of this Section.
4	(2) Beginning Fiscal Year 2019-2020 and each year thereafter, from the
5	avails of the taxes imposed by Chapters 2, 2-A, and 2-B of Subtitle II of Title 47
6	of the Louisiana Revised Statutes of 1950 from the sale, use, lease, or rental of
7	motor vehicles that are taxable pursuant to Chapters 2, 2-A, and 2-B, after
8	satisfying the requirements of Article VII, Section 9(B) of the Constitution of
9	Louisiana relative to the Bond Security and Redemption Fund, the treasurer
10	shall deposit the following amount to the funds to be dedicated for use as
11	provided by Subsection B of this Section.
12	(a) For Fiscal Year 2019-2020, twenty percent of such avails.
13	(b) For Fiscal Year 2020-2021, forty percent of such avails.
14	(c) For Fiscal Year 2021-2022, sixty percent of such avails.
15	(d) For Fiscal Year 2022-2023, eighty percent of such avails.
16	(e) For Fiscal Year 2023-2024 and thereafter, one hundred percent of
17	such avails.
18	B. The monies dedicated pursuant to Subsection A of this Section shall be
19	deposited to the funds specified for the following purposes:
20	* * *
21	(3)(a) After compliance with the provisions of Paragraph (1) of this
22	Subsection, seven percent of the remaining monies shall be deposited into the
23	Louisiana State Transportation Infrastructure Fund established in R.S. 48:86 as
24	provided in Acts 2015, No. 431. The monies deposited in the Louisiana State
25	Transportation Infrastructure Fund pursuant to this Subsection shall be used
26	exclusively for final design and construction and shall not be used for studies.
27	(b) If the Act [Acts 2015, No. 431] which originated as House Bill No. 767
28	of the 2015 Regular Session of the Legislature fails to pass and is not enacted into
29	law, the monies allocated to this Paragraph shall be deposited into the Transportation

Trust Fund and used exclusively for port construction and development priority

program projects as provided in Subparagraph (2)(b) of this Subsection.

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

## DIGEST 2018 Regular Session

SB 444 Original

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White

<u>Present law</u> provides that beginning in Fiscal Year 2017-2018 and each fiscal year thereafter, from the avails of state mineral revenue, the treasurer must deposit an amount equal to the increase in general fund revenues certified by the Revenue Estimating Conference as being attributable to the provisions of the Act that originated as SB 122 of the 2015 R.S., not to exceed \$100 million.

<u>Proposed law</u> directs the state treasurer, beginning July 1, 2020, to deposit the following amounts of the state sales tax on the sale, use, lease or rental of motor vehicles in addition to the deposits required under present law:

- (1) For Fiscal Year 2019-2020, 20% of collections.
- (2) For Fiscal Year 2020-2021, 40% of collections.
- (3) For Fiscal Year 2021-2022, 60% of collections.
- (4) For Fiscal Year 2022-2023, 80% of collections.
- (5) For Fiscal Year 2023-2024, and thereafter, 100% of collections.

<u>Present law</u> provides that the first seventy million dollars of the monies deposited shall be deposited into the Transportation Trust Fund (TTF) to be used exclusively for state highway pavement and bridge sustainability projects. Thereafter, ninety-three percent of the monies shall be deposited into the TTF to be allocated as follows: not less than thirty percent for highway priority program projects classified as capacity projects; twenty-five percent for port construction and development priority program projects; and the remaining monies for state highway pavement and bridge sustainability projects.

<u>Present law</u> provides that the remaining seven percent shall be deposited into the infrastructure bank as provided in the Act which originated as HB 767 for final design and construction and shall not be used for studies.

<u>Proposed law</u> retains <u>present law</u> distribution percentages and applies them to the sales tax deposits required under <u>proposed law</u>.

Effective August 1, 2018.

(Amends R.S. 48:77(A) and (B)(3))