
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 777 Original

2015 Regular Session

St. Germain

Abstract: Levies an additional tax of between 10¢ and 25¢ per gallon tax on gasoline, diesel fuel, and special fuels from July 1, 2015, through June 30, 2025.

Present law levies a 16¢ per gallon tax on gasoline, diesel fuel, and special fuels sold, used, or consumed in the state. Present law provides for the levy of an additional 4¢ per gallon tax on these fuels which is dedicated to the TIMED program.

Proposed law retains present law and levies an additional tax on gasoline, diesel fuel, and special fuels from July 1, 2015, through June 30, 2025, with the tax rate ranging between 10¢, 15¢, and 25¢ per gallon, dependent upon the average price of gasoline over the preceding 6 months. The specific rate of tax imposed each year for the 12-month period beginning on July 1st and ending on June 30th of the following year shall be known as the "imposed fuel tax rate".

Proposed law requires the secretary of the Dept. of Revenue (secretary) to annually establish the imposed fuel tax rate for the following 12-month period beginning on July 1st. For the first year, the rate shall be established no later than June 1, 2015, and for each year thereafter, the rate shall be established no later than April 1st.

Proposed law provides for the procedure to be used by the secretary to determine the imposed fuel tax rate as follows:

- (1) The rate shall be based on an average price of regular octane gasoline sold in La. based on the average price of fuel sold on the last day of each month of the preceding six-month period which ends April 30th. The legislative auditor shall assist the secretary by developing a methodology for the sampling of gasoline prices.
- (2) The imposed fuel tax rate shall vary depending on the average monthly price, as follows:
 - (a) Tax of 25¢ per gallon if the average monthly price is below \$3 per gallon.
 - (b) Tax of 15¢ per gallon if the average monthly price is above \$3 per gallon and below \$4 per gallon.
 - (c) Tax of 10¢ per gallon if the average monthly price is above \$4 per gallon.

Proposed law provides that the taxes imposed under proposed law shall be computed, collected,

reported, and paid in the same manner as the taxes imposed under present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:818.12.1 and 818.101.1)