

1 H.

2 Introduced by

3 Referred to Committee on

4 Date:

5 Subject:

6 Statement of purpose: VLCT proposed bill to enact a temporary gasoline tax while prices are
7 low to provide funds to pay for addressing stormwater runoff from municipal highways,
8 address funding needs for municipal structures and Class 2 highway projects and to meet the
9 state revenue shortfall in the Transportation Fund.

10 An act relating to

11 It is hereby enacted by the General Assembly of the State of Vermont:

12 Sec. 1. 23 V.S.A. § 3106b is added to read:

13 § 3106b. IMPOSITION, RATE AND PAYMENT OF TEMPORARY TAX

14 (a) In addition to the tax imposed under 3106 of this chapter, except for sales of motor
15 fuels between distributors licensed in this State, which sales shall be exempt from the taxes
16 and assessments authorized under this section, unless exempt under the laws of the United
17 States at the time of filing the report required by section 3108 of this title, each distributor
18 shall pay to the Commissioner:

19 (1) a tax of \$0.02 upon each gallon of motor fuel sold by the distributor when the
20 tax-adjusted retail price is between \$2.50 and \$2.75; and

1 (2) a tax of \$0.04 upon each gallon of motor fuel sold by the distributor when the
2 tax-adjusted retail price is between \$2.25 and \$2.50; and

3 (3) a tax of \$0.06 upon each gallon of motor fuel sold by the distributor when the
4 tax-adjusted retail price is below \$2.25.

5 (b) For the purposes of subsection (a) of this section, the tax-adjusted retail price
6 applicable for a quarter shall be the average of the retail price for regular gasoline
7 determined and published by the Department of Public Service for each of the three
8 months of the preceding quarter after all federal and State taxes and assessments, and the
9 petroleum distributor licensing fee established by 10 V.S.A. § 1942, applicable in each
10 month have been subtracted from that month's retail price.

11 (c) On or before the first day of the second month following the end of a calendar
12 quarter, taxes collected under this section shall be appropriated as follows:

13 (1) one-third shall be made available to municipalities to address stormwater
14 runoff from highways as identified in the Agency of Natural Resources *Water Quality*
15 *Remediation, Implementation, and Funding Report; Prepared for the Vermont General*
16 *Assembly in Accordance with Act 138(2012), Section 119 at 12 (01/14/2013);*

17 (2) one-sixth shall be made available to supplement and not supplant funds
18 appropriated under 19 V.S.A. § 306(e) (state aid for town highway structures);

19 (3) one-sixth shall be made available to supplement and not supplant funds
20 appropriated under 19 V.S.A. § 306(h) (class 2 town highway roadway program); and

1 (3) the remainder shall be deposited into the Transportation Fund and appropriated
2 as the General Assembly determines.

3 Sec. 2. PROSPECTIVE REPEAL

4 This act shall be repealed on July 1, 2020.

5 Sec. 3. EFFECTIVE DATE

6 This act shall take effect on passage.