

1 (4) monies received from the sales and use tax ~~on aviation jet fuel and~~
2 on natural gas used to propel a motor vehicle under 32 V.S.A. chapter 233;

3 * * *

4 Sec. X3. 23 V.S.A. chapter 28 is amended to read:

5 CHAPTER 28. ~~GASOLINE~~ MOTOR FUEL TAX

6 Subchapter 1. General ~~Gasoline~~ Motor Fuel Tax

7 § 3101. DEFINITIONS; SCOPE

8 (a) As used in this chapter:

9 (1) The term “distributor” as used in this subchapter shall mean a
10 person, firm, or corporation who imports or causes to be imported gasoline or
11 other motor fuel for use, distribution, or sale within the State, or any person,
12 firm, or corporation who produces, refines, manufactures, or compounds
13 gasoline or other motor fuel within the State for use, distribution, or sale.
14 When a person receives motor fuel in circumstances ~~which~~ that preclude the
15 collection of the tax from the distributor by reason of the provisions of the
16 Constitution and laws of the United States, and thereafter sells or uses the
17 motor fuel in the State in a manner and under circumstances as may subject the
18 sale to the taxing power of the State, the person shall be considered a
19 distributor and shall make the same reports, pay the same taxes, and be subject
20 to all provisions of this subchapter relating to distributors of motor fuel.

21 (2) “Dealer” means any person who sells or delivers motor fuel into the
22 fuel supply tanks of motor vehicles or aircraft owned or operated by others.

1 of gallons used by the distributor. With every consignment of motor fuel to a
2 purchaser within the State, each distributor shall also deliver a written
3 statement containing the date and the number of gallons delivered and the
4 names of the purchaser and the seller. The distributor shall also keep a record
5 of all importations of motor fuel, ~~which~~ that shall include the number of
6 gallons imported and the date of importation.

7 (2) With respect to any sale, use, consignment, or importation of
8 aviation gasoline or jet fuel, a distributor shall separately record the same
9 information required under subdivision (1) of this subsection and, additionally,
10 a distributor of jet fuel shall record the sale price.

11 (3) The records and statements shall be preserved by distributors and
12 purchasers, respectively, for a period of three years, and shall be offered for
13 inspection upon verbal or written demand of the Commissioner or his or her
14 agent.

15 * * *

16 (d) A dealer shall keep a record of all purchases of motor fuel ~~which~~ that
17 shall include the date of purchase, number of gallons, ~~and~~ the identity of the
18 seller, and, if applicable, shall separately record this information with respect
19 to the purchase of aviation gasoline and jet fuel. [Additionally, a dealer that
20 sells jet fuel shall record the sale price??]. The records and statements shall be
21 preserved for a period of three years. The record shall include daily motor fuel
22 meter readings.

1 § 3106. IMPOSITION, RATE, AND PAYMENT OF TAX

2 (a)(1) Except for sales of motor fuels between distributors licensed in this
3 State, which sales shall be exempt from the taxes and assessments authorized
4 under this section, and except for jet fuel, which shall be taxed as provided in
5 subsection (e) of this section, unless exempt under the laws of the United
6 States at the time of filing the report required by section 3108 of this title, each
7 distributor shall pay to the Commissioner:

8 * * *

9 (4) The distributor shall also pay to the Commissioner the tax and
10 assessments specified in this subsection upon each gallon of motor fuel used
11 within the State by him or her.

12 * * *

13 (d) Since many nonresidents and residents drive to outdoor areas of
14 Vermont in order to view our natural resources, to hunt and fish, and to use our
15 natural resources for other healthful recreational purposes, it is the policy of
16 this State that a portion of the gasoline tax shall be dedicated for the purpose of
17 conserving and maintaining our natural resources. Therefore, beginning in
18 fiscal year 1998, three-eighths of one cent of the tax collected under subsection
19 (a) of this section, except for the tax collected on aviation gasoline, shall be
20 transferred 76 percent to the Fish and Wildlife Fund and 24 percent to the
21 Department of Forests, Parks and Recreation for natural resource management.
22 Of the funds deposited in the Fish and Wildlife Fund, the interest earned by

1 deposited funds and all funds remaining at the end of the fiscal year shall
2 remain in the Fish and Wildlife Fund.

3 (e)(1) Except for sales or transfers of jet fuel between distributors licensed
4 in this State, which sales or transfers shall be exempt from the tax authorized
5 under this subsection, and unless exempt under the laws of the United States at
6 the time of filing the report required by section 3108 of this title, each
7 distributor of jet fuel shall pay to the Commissioner a tax of six percent of the
8 tax-adjusted sale price on each gallon of jet fuel that the distributor imports or
9 causes to be imported for use, distribution, or sale in this State.

10 (2) The tax-adjusted sale price of jet fuel shall be the price paid for jet
11 fuel imported for use, distribution, or sale in this State after all federal and state
12 taxes and assessments have been subtracted from the sale price reported under
13 section 3108 of this title.

14 (f) Taxes and assessments collected pursuant to this section on aviation
15 gasoline and on jet fuel shall be used exclusively for aviation purposes
16 consistent with 49 U.S.C. § 47133 and Federal Aviation Administration
17 regulations and policies.

18 § 3106a. IMPOSITION, RATE, AND PAYMENT OF LICENSE FEE

19 ~~In~~ Except for the tax on jet fuel, in all cases where a distributor is required
20 to pay a tax under this chapter, the distributor shall also pay to the
21 Commissioner in the same manner and time the license fee, established under
22 10 V.S.A. § 1942, of one cent per gallon upon each gallon of such motor fuel

1 sold by the distributor in the State. The Commissioner shall deposit these
2 license fees into the Petroleum Cleanup Fund established by 10 V.S.A. chapter
3 59.

4 * * *

5 § 3108. RETURNS

6 (a) For the purpose of determining the amount of the tax levied and
7 assessed, by the 25th day of each calendar month, each distributor shall send to
8 the Commissioner upon a form prepared and furnished by him or her a
9 statement or return under oath or affirmation, showing:

10 (1) both the number of gallons of motor fuel sold and the number of
11 gallons of motor fuel used by the distributor during the preceding calendar
12 month. ~~The report shall contain:~~

13 (2) separately, both the number of gallons of aviation gasoline sold and
14 the number of gallons of aviation gasoline used by the distributor during the
15 preceding calendar month;

16 (3) the number of gallons and the sale price of jet fuel imported for use,
17 sale, or distribution in this State during the preceding calendar month;

18 (4) any further information ~~which~~ that the Commissioner prescribes.

19 (b) Jet fuel sale price information and information that could be used to
20 ascertain jet fuel sale prices are exempt from public inspection and copying
21 under the Public Records Act and shall be subject to all of the confidentiality
22 provisions of 32 V.S.A. § 3102 (confidentiality of tax records), except that in

1 addition to the exceptions to confidentiality in that section, such information
2 shall be shared with the Joint Fiscal Office upon request when needed to
3 enable the Office to carry out its authorized duties. When handling
4 information shared pursuant to this subsection, the Joint Fiscal Office shall be
5 subject to the same requirements and penalties as employees of the Department
6 of Taxes under section 32 V.S.A. § 3102 of this title.

7 * * *

8 Sec. X4. 10 V.S.A. § 1942 is amended to read:

9 § 1942. PETROLEUM DISTRIBUTOR LICENSING FEE; EXCEPTION

10 * * *

11 (c) Jet fuel is exempt from the licensing fee under this section.

12 Sec. X5. 23 V.S.A. § 1220a(b) is amended to read:

13 (b) The DUI Enforcement Special Fund shall consist of:

14 * * *

15 (3) beginning May 1, 2013 and thereafter, \$0.0038 per gallon of the
16 revenues raised by the motor fuel tax on gasoline imposed by chapter 28 of this
17 title, except for the revenues raised by the tax on aviation gasoline and on jet
18 fuel; and

19 (4) any additional funds transferred or appropriated by the General
20 Assembly.

21 Sec. X6. 5 V.S.A. § 211 is amended to read:

1 § 211. APPROPRIATION FROM ~~GASOLINE TAXES~~ ON AIRCRAFT

2 FUEL

3 Funds appropriated from the proceeds of ~~the any tax on gasoline used in~~
4 ~~aircraft and capital development projects for aeronautical purposes are to~~
5 aircraft fuel, including jet fuel and aviation gasoline, shall be expended under
6 the direction of the Agency exclusively for aviation purposes consistent with
7 49 U.S.C. § 47133 and Federal Aviation Administration regulations and
8 policies, including to provide:

9 (1) navigational aids to airmen ~~or~~;

10 (2) marking, lighting, removal, or elimination of obstructions or hazards
11 to flight; and ~~to provide~~

12 (3) for the improvement of landing areas or facilities that are
13 permanently established for the public use of aircraft ~~or in any other way that~~
14 will promote aviation in the State.

15 Sec. X7. EFFECTIVE DATES; TRANSITION PROVISION

16 (a) This act shall take effect on January 1, 2019, except that in Sec. X3, 23
17 V.S.A. § 3105 (records of sales and importations) shall take effect on
18 December 1, 2018.

19 (b) All 2018 sales and use tax returns and payments for jet fuel pursuant to
20 32 V.S.A. § 9741(7)(B) shall be paid to the Department of Taxes on or before
21 January 25, 2019.