

H.918; Aircraft Fuel Tax Proposal Updates

Sec. 31. 24 V.S.A. § 138 is amended to read:

§ 138. LOCAL OPTION TAXES

* * *

(c) Any tax imposed under the authority of this section shall be collected and administered by the Department of Taxes, in accordance with State law governing such State tax or taxes; provided however, that a sales tax imposed under this section shall be collected on each sale that is subject to the Vermont sales tax using a destination basis for taxation. A Except with respect to taxes collected on the sale of aviation jet fuel, a per-return fee of \$5.96 shall be assessed to compensate the Department for the costs of administration and collection, 70 percent of which shall be borne by the municipality, and 30 percent of which shall be borne by the State to be paid from the PILOT Special Fund. The fee shall be subject to the provisions of 32 V.S.A. § 605.

(d)(1) Of Except as provided in subsection (c) and subdivision (2) of this section with respect to taxes collected on the sale of aviation jet fuel, of the taxes collected under this section, 70 percent of the taxes shall be paid on a quarterly basis to the municipality in which they were collected, after reduction for the costs of administration and collection under subsection (c) of this section. Revenues received by a municipality may be expended for municipal services only, and not for education expenditures. Any remaining revenue shall be deposited into the PILOT Special Fund established by 32 V.S.A. § 3709.

(2) Of the taxes collected under this section on the sale of aviation jet fuel, 100 percent of the taxes shall be paid on a quarterly basis to the municipality in which they were collected. Such revenues shall be used exclusively for aviation purposes consistent with 49 U.S.C. § 47133 and Federal Aviation Administration regulations and policies.

1 Sec. 32. 10 V.S.A. § 1941 is amended to read:

2 § 1941. PETROLEUM CLEANUP FUND

3 * * *

4 (b) The Secretary may authorize disbursements from the Fund for the purpose of the cleanup
5 and restoration of contaminated soil and groundwater caused by releases of petroleum from
6 underground storage tanks and aboveground storage tanks, including releases of aviation
7 gasoline that occur at airports in the State and air emissions for remedial actions, and for
8 compensation of third parties for injury and damage caused by a release. This Fund shall be used
9 for no other governmental purposes, nor shall any portion of the Fund ever be available to
10 borrow from by any branch of government; it being the intent of the General Assembly that this
11 Fund and its increments shall remain intact and inviolate for the purposes set out in this chapter.
12 Disbursements under this section may be made only for uninsured costs incurred after January 1,
13 1987 and for which a claim is made prior to July 1, 2019 and judged to be in conformance with
14 prevailing industry rates. This includes:

15 * * *