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# SENATE BILL No. 358

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 8-14-2-4.5.

**Synopsis:** Local road funding and sales tax on gasoline. Provides that part of the sales tax collected on gasoline is to be allocated to counties, cities, and towns for road and street projects. Specifies that the allocation is the tax on that part of the retail price, including federal and state gasoline taxes, that exceeds \$3. Provides that the money is to be distributed to counties, cities, and towns after each quarter based on their proportionate share of local road and street mileage. Specifies that amounts distributed may be used by counties, cities, and towns for the same purposes for which money from the local road and street account may be used.

**Effective:** July 1, 2012.

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## Skinner

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January 9, 2012, read first time and referred to Committee on Tax and Fiscal Policy.

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PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2011 Regular Session of the General Assembly.

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## SENATE BILL No. 358



A BILL FOR AN ACT to amend the Indiana Code concerning transportation and to make an appropriation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 8-14-2-4.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2012]: **Sec. 4.5. (a) The auditor of state shall distribute to**  
4 **counties part of the amount of state gross retail taxes deposited in**  
5 **the state general fund under IC 6-2.5-10-1 during the previous**  
6 **quarter. The amount of gross retail taxes to be distributed under**  
7 **this section is based on the increased part, if any, of the state gross**  
8 **retail tax collections under IC 6-2.5-7 on gasoline and special fuel**  
9 **sold during the previous calendar quarter as determined by the**  
10 **department of state revenue. The increased part shall be computed**  
11 **by the department separately for gasoline and special fuel as**  
12 **follows:**

13 **STEP ONE: Determine, for the previous calendar quarter, the**  
14 **difference, if any, between:**

15 **(A) the most recent statewide average retail price per**  
16 **gallon determined by the department under IC 6-2.5-7;**  
17 **minus**



1                   **(B) three dollars (\$3) per gallon;**  
2                   **including in both determinations the Indiana and federal**  
3                   **gasoline taxes or the Indiana and federal special fuel taxes (as**  
4                   **appropriate) and the Indiana gross retail and use tax.**  
5                   **STEP TWO: Multiply the STEP ONE result by the number of**  
6                   **gallons sold during the most recent calendar quarter.**  
7                   **STEP THREE: Multiply the STEP TWO result by seven**  
8                   **percent (7%).**  
9                   **(b) The department shall combine the amounts calculated under**  
10                   **subsection (a) for gasoline and special fuel and notify the auditor**  
11                   **of state of the combined amount before the 20th day of the month**  
12                   **immediately following the end of the calendar quarter.**  
13                   **(c) The amount each county is entitled to receive (to be**  
14                   **suballocated to the county and to each city and town in the county)**  
15                   **is equal to:**  
16                   **(1) the total county road mileage and city and town street**  
17                   **mileage within the county; divided by**  
18                   **(2) the total county road mileage and city and town street**  
19                   **mileage within Indiana.**  
20                   **(d) The auditor of state shall further determine the**  
21                   **suballocation between a county and the cities and towns within the**  
22                   **county as follows:**  
23                   **(1) The amount each city or town within the county is entitled**  
24                   **to receive each month is equal to:**  
25                   **(A) the result of:**  
26                   **(i) the total street mileage in the county that is within the**  
27                   **city or town; divided by**  
28                   **(ii) the total county road mileage and city and town**  
29                   **street mileage within the county; multiplied by**  
30                   **(B) the amount distributed to the county under subsection**  
31                   **(a).**  
32                   **(2) The amount the county is entitled to receive is equal to:**  
33                   **(A) the amount distributed to the county under subsection**  
34                   **(a); minus**  
35                   **(B) the amount distributed to cities and towns in the**  
36                   **county under subdivision (1).**  
37                   **(e) Before the end of the month in which the auditor of state**  
38                   **receives a notice from the department under subsection (b), the**  
39                   **auditor of state shall make a distribution to each county as**  
40                   **provided in subsection (c).**  
41                   **(f) Amounts distributed under this section may be used by**  
42                   **counties, cities, and towns only for the same purposes for which**

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1 **money from the local road and street account may be used by**  
2 **counties, cities, and towns under section 5 of this chapter.**

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