
SENATE BILL No. 505

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-6-1.1.

Synopsis: Gasoline tax. Indexes the gasoline tax rate for inflation with a minimum rate of \$0.18 per gallon. Provides that the gasoline tax revenue that is attributable to the rate above \$0.18 is to be distributed for highway, road, and street purposes as follows: (1) 40% to the Indiana department of transportation. (2) 30% to each county, city, and town eligible to receive a distribution from the local road and street account. (3) 30% to each county, city, and town eligible to receive a distribution from the motor vehicle highway account.

Effective: Upon passage; July 1, 2013.

Skinner

January 14, 2013, read first time and referred to Committee on Tax and Fiscal Policy.

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First Regular Session 118th General Assembly (2013)

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 2012 Regular Session of the General Assembly.

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SENATE BILL No. 505



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

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

- 1 SECTION 1. IC 6-6-1.1-201 IS AMENDED TO READ AS
- 2 FOLLOWS [EFFECTIVE JULY 1, 2013]: Sec. 201. **(a) After June 30,**
- 3 **2013, a license tax equal to the greater of:**
- 4 **(1) eighteen cents (\$0.18) per gallon; or**
- 5 **(2) the rate indexed for inflation as provided in subsection (d);**
- 6 **is imposed on the use of all gasoline used in Indiana, except as**
- 7 **otherwise provided by this chapter.**
- 8 **(b) Before July 1, 2013,** a license tax of eighteen cents (\$0.18) per
- 9 gallon is imposed on the use of all gasoline used in Indiana, except as
- 10 otherwise provided by this chapter.
- 11 **(c)** The distributor shall initially pay the tax on the billed gallonage
- 12 of all gasoline the distributor receives in this state, less any deductions
- 13 authorized by this chapter. The distributor shall then add the per gallon
- 14 amount of tax to the selling price of each gallon of gasoline sold in this
- 15 state and collected from the purchaser so that the ultimate consumer
- 16 bears the burden of the tax.
- 17 **(d) The indexed per gallon tax rate to be used under subsection**



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- (a) is:
 - (1) the rate used for the previous year under this section; multiplied by
 - (2) the percent change in the average United States Bureau of Labor Statistics Consumer Price Index, all items, all urban consumers, or its successor index as last reported for the previous calendar year.

Not later than May 1 of each year after 2013, the department shall publish in the Indiana Register the annual tax rate in effect from July 1 of that year through June 30 of the following year.

SECTION 2. IC 6-6-1.1-801.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 801.3. Each month, the department shall determine the amount of gasoline tax revenue collected, except tax revenue collected at a taxable marine facility, during the previous month that is attributable to a gasoline tax rate greater than eighteen cents (\$0.18) per gallon. Before the twentieth day of each month the department shall inform the auditor of state of this amount.**

SECTION 3. IC 6-6-1.1-801.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2013]: **Sec. 801.5. (a) The administrator shall transfer one-ninth (1/9) of the taxes that are collected under this chapter, except for the monthly amount determined under section 801.3 of this chapter, to the state highway road construction and improvement fund.**

(b) The administrator shall transfer one-eighteenth (1/18) of the taxes that are collected under this chapter, **except for the monthly amount determined under section 801.3 of this chapter,** to the state highway fund.

(c) The administrator shall transfer one-eighteenth (1/18) of the taxes that are collected under this chapter, **except for the monthly amount determined under section 801.3 of this chapter,** to the auditor of state for distribution to counties, cities, and towns. The auditor of state shall distribute the amounts transferred under this subsection to each of the counties, cities, and towns eligible to receive a distribution from the motor vehicle highway account under IC 8-14-1 and in the same proportion among the counties, cities, and towns as funds are distributed from the motor vehicle highway account under IC 8-14-1. Money distributed under this subsection may be used only for purposes that money distributed from the motor vehicle highway account may be expended under IC 8-14-1.

(d) After the transfers required by subsections (a) through (c), the

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1 administrator shall transfer the next twenty-five million dollars
 2 (\$25,000,000) of the taxes that are collected under this chapter and
 3 received during a period beginning July 1 of a year and ending June 30
 4 of the immediately succeeding year **plus the monthly amount**
 5 **determined under section 801.3 of this chapter** to the auditor of state
 6 for distribution in the following manner:

7 (1) thirty percent (30%) to each of the counties, cities, and towns
 8 eligible to receive a distribution from the local road and street
 9 account under IC 8-14-2 and in the same proportion among the
 10 counties, cities, and towns as funds are distributed under
 11 IC 8-14-2-4;

12 (2) thirty percent (30%) to each of the counties, cities, and towns
 13 eligible to receive a distribution from the motor vehicle highway
 14 account under IC 8-14-1 and in the same proportion among the
 15 counties, cities, and towns as funds are distributed from the motor
 16 vehicle highway account under IC 8-14-1; and

17 (3) forty percent (40%) to the Indiana department of
 18 transportation.

19 (e) The auditor of state shall hold all amounts of collections
 20 received under subsection (d) from the administrator that are made
 21 during a particular month and shall distribute all of those amounts
 22 pursuant to subsection (d) on the fifth day of the immediately
 23 succeeding month.

24 (f) All amounts distributed under subsection (d) may only be used
 25 for purposes that money distributed from the motor vehicle highway
 26 account may be expended under IC 8-14-1.

27 SECTION 4. [EFFECTIVE UPON PASSAGE] **(a) The department**
 28 **of state revenue, before May 20, 2013, shall publish in the Indiana**
 29 **Register the per gallon gasoline tax rate under IC 6-6-1.1-201, as**
 30 **amended by this act, that is applicable beginning July 1, 2013.**

31 **(b) This SECTION expires July 1, 2013.**

32 SECTION 5. **An emergency is declared for this act.**

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