

# HOUSE BILL No. 1292

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-6-1.1.

**Synopsis:** Gasoline tax. Increases the gasoline tax rate by \$0.02 per gallon (from \$0.18 to \$0.20 per gallon) for gasoline with an octane number greater than 87. Allocates the revenue attributable to the \$0.02 rate increase to the repair of bridges by the state (50%) and local government (50%) based on those repairs that address safety concerns that have the highest priority using the most recent bridge inspection report for each bridge.

**Effective:** July 1, 2013.

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**Bauer, Brown T**

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January 14, 2013, read first time and referred to Committee on Ways and Means.

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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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# HOUSE BILL No. 1292



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 license tax of:  
 3 (1) eighteen cents (\$0.18) per gallon is imposed on the use of all  
 4 gasoline **that has an octane number that is less than or equal**  
 5 **to eighty-seven (87); and**  
 6 (2) **twenty cents (\$0.20) per gallon is imposed on the use of all**  
 7 **gasoline that has an octane number that is greater than**  
 8 **eighty-seven (87);**  
 9 used in Indiana, except as otherwise provided by this chapter. The  
 10 distributor shall initially pay the tax on the billed gallonage of all  
 11 gasoline the distributor receives in this state, less any deductions  
 12 authorized by this chapter. The distributor shall then add the per gallon  
 13 amount of tax to the selling price of each gallon of gasoline sold in this  
 14 state and collected from the purchaser so that the ultimate consumer  
 15 bears the burden of the tax. **For purposes of this section, the octane**  
 16 **number is the octane number as labeled in conformance with the**  
 17 **octane posting requirements contained in 16 CFR Part 306 and**



1 issued under the federal Petroleum Marketing Practices Act of  
2 1978 (15 U.S.C. 2801).

3 SECTION 2. IC 6-6-1.1-801.3 IS ADDED TO THE INDIANA  
4 CODE AS A NEW SECTION TO READ AS FOLLOWS  
5 [EFFECTIVE JULY 1, 2013]: **Sec. 801.3. (a) The department of state**  
6 **revenue shall determine one-tenth (1/10) of the amount of gasoline**  
7 **tax revenue collected, except tax revenue collected at a taxable**  
8 **marine facility, during each calendar quarter that is attributable**  
9 **to gasoline taxes imposed on gasoline that has an octane number**  
10 **that is greater than eighty-seven (87). Before the twentieth day of**  
11 **the month following each calendar quarter, the department of state**  
12 **revenue shall inform the department of transportation of this**  
13 **quarterly amount.**

14 (b) The amount determined under subsection (a) is appropriated  
15 to the department of transportation for the department's use and  
16 for the department to allocate among the counties and the  
17 municipalities that have responsibility for bridge repair. Fifty  
18 percent (50%) of the amount shall be dedicated by the department  
19 of transportation to state bridge repairs that address safety  
20 concerns that have the highest priority using the most recent  
21 bridge inspection report for each state bridge. The remaining fifty  
22 percent (50%) shall be allocated by the department of  
23 transportation to counties and municipalities for bridge repair.  
24 This allocation must be based on providing money for those repairs  
25 that address safety concerns that have the highest priority using  
26 the most recent bridge inspection report for each bridge for which  
27 a county or municipality is responsible for repairs. Money may not  
28 be used for new bridge construction or any toll bridge project.

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

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

39 (c) The administrator shall transfer one-eighteenth (1/18) of the  
40 taxes that are collected under this chapter, **except for the amount**  
41 **determined under section 801.3 of this chapter, to the auditor of**  
42 **state for distribution to counties, cities, and towns. The auditor of state**

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1 shall distribute the amounts transferred under this subsection to each  
 2 of the counties, cities, and towns eligible to receive a distribution from  
 3 the motor vehicle highway account under IC 8-14-1 and in the same  
 4 proportion among the counties, cities, and towns as funds are  
 5 distributed from the motor vehicle highway account under IC 8-14-1.  
 6 Money distributed under this subsection may be used only for purposes  
 7 that money distributed from the motor vehicle highway account may be  
 8 expended under IC 8-14-1.

9 (d) After the transfers required by subsections (a) through (c), the  
 10 administrator shall transfer the next twenty-five million dollars  
 11 (\$25,000,000) of the taxes that are collected under this chapter and  
 12 received during a period beginning July 1 of a year and ending June 30  
 13 of the immediately succeeding year to the auditor of state for  
 14 distribution in the following manner:

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

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

25 (3) forty percent (40%) to the Indiana department of  
 26 transportation.

27 (e) The auditor of state shall hold all amounts of collections  
 28 received under subsection (d) from the administrator that are made  
 29 during a particular month and shall distribute all of those amounts  
 30 pursuant to subsection (d) on the fifth day of the immediately  
 31 succeeding month.

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

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