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SENATE BILL NO. 357

Offered January 14, 2004

Prefiled January 14, 2004

A BILL to amend and reenact §§ 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2701, and 58.1-2706 of the Code of Virginia, to amend the Code of Virginia by adding in Title 15.2 a chapter numbered 48.3, consisting of sections numbered 15.2-4850 through 15.2-4862, and to repeal Chapter 48.2 (§ 15.2-4829 et seq.) of Title 15.2, relating to the creation of a transportation authority for each of the nine construction districts and dedicating revenues from increases in taxes on fuels for funding of such transportation authorities, and empowering such transportation authorities to plan and provide for the transportation needs of the counties and cities embraced by each transportation authority.

Patrons—Colgan; Delegate: Parrish

Referred to Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-2217, 58.1-2249, 58.1-2289, 58.1-2701, and 58.1-2706 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding in Title 15.2 a chapter numbered 48.3, consisting of sections numbered 15.2-4850 through 15.2-4862, as follows:

CHAPTER 48.3**TRANSPORTATION AUTHORITIES OF THE COMMONWEALTH.**

§ 15.2-4850. Short title.

This chapter shall be known and may be cited as the Transportation Authorities of the Commonwealth Act.

§ 15.2-4851. Authorities created.

There is hereby created as separate political subdivisions of the Commonwealth, for each of the construction districts set forth in § 33.1-2, the following transportation authorities: Bristol Transportation Authority, Culpeper Transportation Authority, Fredericksburg Transportation Authority, Hampton Roads Transportation Authority, Lynchburg Transportation Authority, Northern Virginia Transportation Authority, Richmond Transportation Authority, Salem Transportation Authority, and Staunton Transportation Authority.

A. 1. The Bristol Transportation Authority shall consist of the Counties of Bland, Buchanan, Dickenson, Grayson, Lee, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe; and the Cities of Bristol and Norton.

2. The Culpeper Transportation Authority shall consist of the Counties of Albemarle, Culpeper, Fauquier, Fluvanna, Greene, Louisa, Madison, Orange, and Rappahannock; and the City of Charlottesville.

3. The Fredericksburg Transportation Authority shall consist of the Counties of Caroline, Essex, Gloucester, King George, King and Queen, King William, Lancaster, Mathews, Middlesex, Northumberland, Richmond, Spotsylvania, Stafford, and Westmoreland; and the City of Fredericksburg.

4. The Hampton Transportation Authority shall consist of the Counties of Accomack, Greensville, Isle of Wight, James City, Northampton, Southampton, Surry, Sussex, and York; and the Cities of Emporia, Hampton, Newport News, Norfolk, Portsmouth, Chesapeake, Suffolk, Virginia Beach, Williamsburg, Franklin, and Poquoson.

5. The Lynchburg Transportation Authority shall consist of the Counties of Amherst, Appomattox, Buckingham, Campbell, Charlotte, Cumberland, Halifax, Nelson, Pittsylvania, and Prince Edward; and the Cities of Danville and Lynchburg.

6. The Northern Virginia Transportation Authority shall consist of the Counties of Arlington, Fairfax, Loudoun, and Prince William; and the Cities of Alexandria, Falls Church, Fairfax, Manassas, and Manassas Park.

7. The Richmond Transportation Authority shall consist of the Counties of Amelia, Brunswick, Charles City, Chesterfield, Dinwiddie, Goochland, Hanover, Henrico, Lunenburg, Mecklenburg, New Kent, Nottoway, Powhatan, and Prince George; and the Cities of Colonial Heights, Hopewell, Petersburg, and Richmond.

8. The Salem Transportation Authority shall consist of the Counties of Bedford, Botetourt, Carroll, Craig, Floyd, Franklin, Giles, Henry, Montgomery, Patrick, Pulaski, and Roanoke; and the Cities of Galax, Martinsville, Radford, Roanoke, Salem, and Bedford.

9. The Staunton Transportation Authority shall consist of the Counties of Alleghany, Augusta, Bath, Clarke, Frederick, Highland, Page, Rockbridge, Rockingham, Shenandoah, and Warren; and the Cities

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SB357

59 of Buena Vista, Covington, Harrisonburg, Lexington, Staunton, Waynesboro, and Winchester.

60 B. The net additional revenues generated from increases in the rate of tax on fuels effective January
61 1, 2005, pursuant to Chapter 22 (§ 58.1-2200 et seq.) of Title 58.1, shall be distributed to the
62 Authorities created herein. Each Authority share of such revenues shall be determined pro rata based
63 upon the population of all counties and cities embraced by the Authority as compared to the total
64 population in all counties and cities of this Commonwealth. The population for a county or city shall be
65 determined using the most recent decennial census figures or the provisional population estimates as
66 published by the Weldon Cooper Center for Public Services, whichever is most recent at the time of
67 distribution of such revenues to each Authority.

68 C. The net additional revenues described in subsection B collected by the Commissioner of the
69 Department of Motor Vehicles shall be paid into the state treasury to the credit of a special fund that is
70 hereby created on the Comptroller's books under the name "Collections of Fuel Taxes for
71 Transportation Authorities." Such revenues shall be credited to the account of each particular
72 Transportation Authority. The Commissioner of the Department of Motor Vehicles shall determine the
73 amount of revenues to be credited to each Transportation Authority using the formula described in
74 subsection B and shall make a monthly written certification to the Comptroller of the same. The
75 certification shall cover such revenues collected by the Commissioner during the month. The
76 Commissioner shall make such certification for each month no later than the tenth day of the
77 immediately following month.

78 As soon as practicable after receipt of such certification but no later than 10 days after receipt, the
79 Comptroller shall draw his warrant on the Treasurer of Virginia in the proper amount in favor of the
80 Transportation Authority entitled to such revenues as provided herein, and such payments shall be
81 charged to the account of each such Transportation Authority under the special fund created by this
82 section. If errors are made in any such payment, or adjustments are otherwise necessary, whether
83 attributable to refunds of taxes on fuels or to some other fact, the errors shall be corrected and
84 adjustments made in the payments as soon as practical in subsequent monthly payments. In addition,
85 such payments shall include a refund of amounts erroneously not paid to any Transportation Authority
86 and not previously refunded by the Commissioner of the Department of Motor Vehicles during the three
87 years preceding the discovery of the error.

88 D. Each Transportation Authority created herein shall have the powers, duties, responsibilities, and
89 organizational structure as set forth in §§ 15.2-4852 through 15.2-4862.

90 § 15.2-4852. General powers and functions.

91 In addition to such other powers vested in the Authority by this chapter, the Authority shall have the
92 following powers and functions:

93 1. The Authority shall prepare a regional transportation plan for the counties and cities comprising
94 the Authority, to include, but not necessarily be limited to, transportation improvements of regional
95 significance, and those improvements necessary or incidental thereto, and shall from time to time revise
96 and amend the plan. The provisions of Article 7 (§ 15.2-4527 et seq.) of Chapter 45 of this title shall
97 apply, mutatis mutandis, to the preparation of such transportation plan.

98 2. The Authority may, when a transportation plan is adopted according to subdivision 1, construct or
99 acquire, by purchase, lease, contract, or otherwise, the transportation facilities specified in such
100 transportation plan.

101 3. The Authority may enter into agreements or leases with public or private entities for the operation
102 of its facilities, or may operate such facilities itself.

103 4. The Authority may enter into contracts or agreements with the counties and cities embraced by the
104 Authority, with other transportation commissions of transportation districts adjoining any county or city
105 embraced by the Authority, with any other transportation authority, or with any state, local, private or
106 federal entity to provide, or cause to be provided, transit facilities and service to such counties and
107 cities, or to provide transit facilities and other modes of transportation between any county or city
108 embraced by the Authority and any adjoining transportation district, county, or city. Such contracts or
109 agreements, together with any agreements or leases for the operation of such facilities, may be used by
110 the Authority to finance the construction and operation of transportation facilities and such contracts,
111 agreements or leases shall inure to the benefit of any creditor of the Authority.

112 Notwithstanding the above, however, the Authority shall not have the power to regulate services
113 provided by taxicabs, either within municipalities or across municipal boundaries, which regulation is
114 expressly reserved to the municipalities within which taxicabs operate.

115 5. Notwithstanding any other provision of law to the contrary the Authority may:

116 a. Acquire land or any interest therein by purchase, lease, contract, or gift and provide
117 transportation facilities thereon for use in connection with any transportation service;

118 b. Acquire land or any interest therein by purchase, lease, contract, or gift in advance of the need
119 for sale or contribution to an agency, for use by that agency in connection with an adopted
120 transportation plan; and

c. Prepare a plan for mass transportation services with persons, cities, counties, agencies, authorities, or transportation commissions and may further contract with any such person or other entity to provide necessary facilities, equipment, operations and maintenance, access, and insurance pursuant to such plan.

§ 15.2-4853. Composition of Authority; Chairman and Vice Chairman.

The Authority shall consist of the following members:

The chief-elected officer of the governing body of each county and city embraced by the Authority or, in the discretion of the chief-elected officer, his designee, who shall be a current elected officer of such governing body;

Two members of the House of Delegates who reside in different counties or cities embraced by the Authority, appointed by the Speaker of the House, to the extent practicable, from the membership of the House Committee on Appropriations, the House Committee on Finance, or the House Committee on Transportation;

One member of the Senate who resides in a county or city embraced by the Authority, appointed by the Senate Committee on Privileges and Elections, to the extent practicable, from the membership of the Senate Committee on Finance and the Senate Committee on Transportation; and

Two citizens who reside in counties and cities embraced by the Authority, appointed by the Governor. One gubernatorial appointment shall include, if applicable, a member of the Commonwealth Transportation Board who resides in a county or city embraced by the Authority. The remaining gubernatorial appointment shall be a person who has significant experience in transportation planning, finance, engineering, construction, or management and shall be a resident of a county or city embraced by the Authority, but shall not be a resident of the same county or city as the other gubernatorial appointee to the Authority.

Each member of the Authority shall serve for a term of four years. However, the Authority may adopt staggered terms.

In addition, the Commonwealth Transportation Commissioner, or his designee, shall serve as a nonvoting member of the Authority.

The Authority shall appoint the chairman and vice chairman.

§ 15.2-4854. Staff.

The Authority shall employ a chief executive officer and such staff as it shall determine to be necessary to carry out its duties and responsibilities under this chapter. No such person shall contemporaneously serve as a member of the Authority. The Virginia Department of Transportation and the Virginia Department of Rail and Public Transportation shall make their employees available to assist the Authority, upon request.

§ 15.2-4855. Decisions of Authority.

A majority of the Authority, which majority shall include at least a majority of the representatives of the counties and cities embraced by the Authority, shall constitute a quorum. Decisions of the Authority shall require a quorum and shall be in accordance with voting procedures established by the Authority. In all cases, decisions of the Authority shall require the affirmative vote of a majority of the members of the Authority present and voting, and a majority of the representatives of the counties and cities embraced by the Authority who are present and voting and whose counties and cities include at least a majority of the population embraced by the Authority. The population of counties and cities embraced by the Authority shall be the population as determined by the most recently preceding decennial census, or the provisional population estimates for counties and cities as published by the Weldon Cooper Center for Public Services, whichever is most recent at the time of decision.

§ 15.2-4856. Allocation of certain Authority expenses among component counties and cities.

The administrative expenses of the Authority, as provided in an annual budget adopted by the Authority, to the extent funds for such expenses are not provided from other sources, shall be allocated among the component counties and cities on the basis of the relative population, as determined pursuant to § 15.2-4855. Such budget shall be limited solely to the administrative expenses of the Authority and shall not include any funds for construction or acquisition of transportation facilities or the performing of any transportation service.

§ 15.2-4857. Payment to members of Authority.

The members of the Authority may be paid for their services a per diem in either (i) the amount provided in the general appropriation act for members of the General Assembly engaged in legislative business between sessions or (ii) a lesser amount as determined by the Authority.

§ 15.2-4858. Formation of advisory committees.

The Authority may create a technical advisory committee, which shall consist of individuals who reside or are employed in counties and cities embraced by the Authority and have experience in transportation planning, finance, engineering, construction, or management. The members of the committee shall be appointed by the Authority.

182 *The technical advisory committee shall advise and provide recommendations on the development of*
183 *projects as required by § 15.2-4859 and funding strategies and other matters as directed by the*
184 *Authority.*

185 *The Authority may form additional advisory committees.*

186 § 15.2-4859. Responsibilities of Authority for long-range transportation planning.

187 A. *The Authority shall be responsible for long-range transportation planning for regional*
188 *transportation projects in the counties and cities embraced by the Authority. In carrying out this*
189 *responsibility, the Authority shall, on the basis of a regional consensus, whenever possible, set regional*
190 *transportation policies and priorities for regional transportation projects. The policies and priorities*
191 *shall be guided by performance-based criteria such as the ability to improve travel times, reduce delays,*
192 *connect regional activity centers, improve safety, improve air quality, and move the most people in the*
193 *most cost-effective manner.*

194 B. *The Authority shall report annually to the General Assembly and the Governor on (i) the*
195 *allocation and expenditure of all moneys distributed to it, (ii) use of these moneys to reduce traffic*
196 *congestion in the counties and cities embraced by the Authority, and (iii) use of these moneys to*
197 *improve air quality in such counties and cities.*

198 § 15.2-4860. Authority to issue bonds.

199 *The Authority may issue bonds and other evidences of debt as may be authorized by law. The*
200 *provisions of Article 5 (§ 15.2-4519 et seq.) of Chapter 45 of this title shall apply, mutatis mutandis, to*
201 *the issuance of such bonds or other debt. Such bonds may be secured by the Authority's share of the*
202 *revenues described in § 15.2-4851.*

203 § 15.2-4861. Other duties and responsibilities of Authority.

204 *In addition to other powers herein granted, the Authority shall have the following duties and*
205 *responsibilities:*

206 1. *General oversight of regional programs of the Virginia Department of Transportation or the*
207 *Virginia Department of Rail and Public Transportation or both involving mass transit or congestion*
208 *mitigation, including, but not necessarily limited to, carpooling, vanpooling, and ridesharing;*

209 2. *Long-range regional planning, both financially constrained and unconstrained;*

210 3. *Recommending to state, regional, and federal agencies regional transportation priorities, including*
211 *public-private transportation projects, and funding allocations;*

212 4. *Developing, in coordination with affected counties and cities, regional priorities and policies*
213 *affecting air quality and general environmental issues;*

214 5. *Allocating to priority regional transportation projects any funds made available to the Authority*
215 *by the General Assembly or the Commonwealth Transportation Board and directly overseeing such*
216 *projects;*

217 6. *Recommending to the Commonwealth Transportation Board priority regional transportation*
218 *projects for receipt of federal and state funds;*

219 7. *Recommending to the Commonwealth Transportation Board use or changes in use, or both, of*
220 *tolls for facilities in the area embraced by the Authority;*

221 8. *General oversight of regional transportation operational issues of a multijurisdictional nature,*
222 *including but not limited to intelligent transportation systems, signalization, and preparation for and*
223 *response to emergencies;*

224 9. *Serving as an advocate for the transportation needs of the counties and cities embraced by the*
225 *Authority before the state and federal governments;*

226 10. *Applying to and negotiating with the government of the United States, the Commonwealth of*
227 *Virginia, or any agency or instrumentality thereof, for grants and any other funds available to carry out*
228 *the purposes of this chapter and receiving, holding, accepting, and administering from any source gifts,*
229 *bequests, grants, aid, or contributions of money, property, labor, or other things of value to be held,*
230 *used and applied to carry out the purposes of this chapter subject, however, to any conditions upon*
231 *which gifts, bequests, grants, aid, or contributions are made. Unless otherwise restricted by the terms of*
232 *the gift, bequest, or grant, the Authority may sell, exchange, or otherwise dispose of such money,*
233 *securities, or other property given or bequeathed to it in furtherance of its purposes; and*

234 11. *Acting as a "responsible public entity" for the purpose of the acquisition, construction,*
235 *improvement, maintenance or operation, or both, of a "qualifying transportation facility" under the*
236 *Public-Private Transportation Act of 1995 (§ 56-556 et seq.).*

237 § 15.2-4862. No consent needed for Authority to act.

238 *The power, duties, and responsibilities of an Authority pursuant to this chapter may be undertaken*
239 *by the Authority without obtaining the consent of any commission, board, bureau or agency of the*
240 *Commonwealth or of any governmental subdivision, and without any referendum, other proceedings or*
241 *the happening of other conditions except for those proceedings or conditions which are specifically*
242 *required by this chapter.*

243 § 58.1-2217. Taxes levied; rate.

A. There is hereby levied a tax at the rate of ~~seventeen and one-half~~ *twenty-four and one-half* cents per gallon on gasoline and gasohol.

B. There is hereby levied a tax at the rate of ~~sixteen~~ 23 cents per gallon on diesel fuel.

C. Blended fuel that contains gasoline shall be taxed at the rate levied on gasoline. Blended fuel that contains diesel fuel shall be taxed at the rate levied on diesel fuel.

D. There is hereby levied a tax at the rate of five cents per gallon on aviation gasoline. Any person, whether or not licensed under this chapter, who uses, acquires for use, sells or delivers for use in highway vehicles any aviation gasoline shall be liable for the tax at the rate of ~~seventeen and one-half~~ *twenty-four and one-half* cents per gallon, along with any penalties and interest that may accrue.

E. There is hereby levied a tax at the rate of five cents per gallon on aviation jet fuel purchased or acquired for use by a user of aviation fuel other than an aviation consumer. There is hereby levied a tax at the rate of five cents per gallon upon the first 100,000 gallons of aviation jet fuel, excluding bonded aviation jet fuel, purchased or acquired for use by any aviation consumer in any fiscal year. There is hereby levied a tax at the rate of one-half cent per gallon on all aviation jet fuel, excluding bonded aviation jet fuel, purchased or acquired for use by an aviation consumer in excess of 100,000 gallons in any fiscal year. Any person, whether or not licensed under this chapter, who uses, acquires for use, sells or delivers for use in highway vehicles any aviation jet fuel taxable under this chapter shall be liable for the tax imposed at the rate of ~~sixteen~~ 23 cents per gallon, along with any penalties and interest that may accrue.

F. In accordance with § 62.1-44.34:13, a storage tank fee is imposed on each gallon of gasoline, aviation gasoline, diesel fuel (including dyed diesel fuel), blended fuel, and heating oil sold and delivered or used in the Commonwealth.

§ 58.1-2249. Tax on alternative fuel.

A. There is hereby levied a tax at the rate of ~~sixteen~~ 23 cents per gallon on liquid alternative fuel used to operate a highway vehicle by means of a vehicle supply tank that stores fuel only for the purpose of supplying fuel to operate the vehicle. There is hereby levied a tax at a rate equivalent to ~~sixteen~~ 23 cents per gallon on all other alternative fuel used to operate a highway vehicle. The Commissioner shall determine the equivalent rate applicable to such other alternative fuels.

B. In addition to any tax imposed by this article, there is hereby levied an annual license tax of ~~fifty dollars~~ \$50 per vehicle on each highway vehicle that is fueled from a private source if the alternative fuels tax levied under this article has not been paid on fuel used in the vehicle. If such a highway vehicle is not in operation by January 1 of any year, the license tax shall be reduced by one-twelfth for each complete month which shall have elapsed since the beginning of such year.

§ 58.1-2289. Disposition of tax revenue generally.

A. ~~Unless Except as~~ *Except as* otherwise provided in subsection F and elsewhere in this section, all taxes and fees, including civil penalties, collected by the Commissioner pursuant to this chapter, less a reasonable amount to be allocated for refunds, shall be promptly paid into the state treasury and shall constitute special funds within the Commonwealth Transportation Fund. Any balances remaining in these funds at the end of the year shall be available for use in subsequent years for the purposes set forth in this chapter, and any interest income on such funds shall accrue to these funds. Except as provided in subsection F and § 33.1-23.03:1, no portion of the revenue derived from taxes collected pursuant to §§ 58.1-2217, 58.1-2249 or § 58.1-2701, and remaining after authorized refunds for nonhighway use of fuel, shall be used for any purpose other than the construction, reconstruction or maintenance of the roads and projects comprising the State Highway System, the Interstate System and the secondary system of state highways and expenditures directly and necessarily required for such purposes, including the retirement of revenue bonds.

Revenues collected under this chapter may be also used for (i) contributions toward the construction, reconstruction or maintenance of streets in cities and towns of such sums as may be provided by law and (ii) expenditures for the operation and maintenance of the Department of Transportation, the Department of Rail and Public Transportation, the Department of Aviation, the Virginia Port Authority, and the Department of Motor Vehicles as may be provided by law.

The Governor is hereby authorized to transfer out of such fund an amount necessary for the inspection of gasoline and motor grease measuring and distributing equipment, and for the inspection and analysis of gasoline for purity.

B. ~~The Except as provided in subsection F~~, tax collected on each gallon of aviation fuel sold and delivered or used in this Commonwealth, less refunds, shall be paid into a special fund of the state treasury. Proceeds of this special fund within the Commonwealth Transportation Fund shall be disbursed upon order of the Department of Aviation, on warrants of the Comptroller, to defray the cost of the administration of the laws of this Commonwealth relating to aviation, for the construction, maintenance and improvement of airports and landing fields to which the public now has or which it is proposed shall have access, and for the promotion of aviation in the interest of operators and the public generally.

305 C. One-half cent of the tax collected on each gallon of fuel on which the refund has been paid at the
306 rate of ~~seventeen~~ 24 cents per gallon, or in the case of diesel fuel, ~~fifteen and one-half~~ *twenty two and*
307 *one-half* cents per gallon, for fuel consumed in tractors and unlicensed equipment used for agricultural
308 purposes shall be paid into a special fund of the state treasury, known as the Virginia Agricultural
309 Foundation Fund, to be disbursed to make certain refunds and defray the costs of the research and
310 educational phases of the agricultural program, including supplemental salary payments to certain
311 employees at Virginia Polytechnic Institute and State University, the Department of Agriculture and
312 Consumer Services and the Virginia Truck and Ornamentals Research Station, including reasonable
313 expenses of the Virginia Agricultural Council.

314 D. One and one-half cents of the tax collected on each gallon of fuel used to propel a commercial
315 watercraft upon which a refund has been paid shall be paid to the credit of the Game Protection Fund of
316 the state treasury to be made available to the Board of Game and Inland Fisheries until expended for the
317 purposes provided generally in subsection C of § 29.1-701, including acquisition, construction,
318 improvement and maintenance of public boating access areas on the public waters of this
319 Commonwealth and for other activities and purposes of direct benefit and interest to the boating public
320 and for no other purpose. However, one and one-half cents per gallon on fuel used by commercial
321 fishing, oystering, clamming, and crabbing boats shall be paid to the Department of Transportation to be
322 used for the construction, repair, improvement and maintenance of the public docks of this
323 Commonwealth used by said commercial watercraft. Any expenditures for the acquisition, construction,
324 improvement and maintenance of the public docks shall be made according to a plan developed by the
325 Virginia Marine Resources Commission.

326 From the tax collected pursuant to the provisions of this chapter from the sales of gasoline used for
327 the propelling of watercraft, *after deduction for the additional revenues generated from the increase in*
328 *the rate of tax on gasoline imposed by this chapter effective January 1, 2005, and after deduction for*
329 *lawful refunds, there shall be paid into the state treasury for use by the Marine Resources Commission,*
330 *the Virginia Soil and Water Conservation Board, the State Water Control Board, and the Commonwealth*
331 *Transportation Board to (i) improve the public docks as specified in this section, (ii) improve*
332 *commercial and sports fisheries in Virginia's tidal waters, (iii) make environmental improvements*
333 *including, without limitation, fisheries management and habitat enhancement in the Chesapeake and its*
334 *tributaries, and (iv) further the purposes set forth in § 33.1-223, a sum as established by the General*
335 *Assembly.*

336 E. Notwithstanding other provisions of this section *except subsection F*, there shall be transferred
337 from moneys collected pursuant to this section to a special fund within the Commonwealth
338 Transportation Fund in the state treasury, to be used to meet the necessary expenses of the Department
339 of Motor Vehicles, an amount equal to one percent of a sum to be calculated as follows: the tax
340 revenues collected pursuant to this chapter, at the tax rates in effect on December 31, 1986, less refunds
341 authorized by this chapter and less taxes collected for aviation fuels.

342 *F. An amount equivalent to the net additional revenues generated from increases in the rate of tax*
343 *imposed by this chapter effective January 1, 2005, shall be distributed to the transportation authority for*
344 *each construction district of this Commonwealth as provided in Chapter 48.3 (§ 15.2-4850 et seq.) of*
345 *Title 15.2.*

346 § 58.1-2701. Amount of tax.

347 A. Except as provided in subsection B, every motor carrier shall pay a road tax equivalent to
348 ~~nineteen and one-half~~ *twenty six and one-half* cents per gallon calculated on the amount of motor fuel,
349 diesel fuel or liquefied gases (which would not exist as liquids at a temperature of ~~sixty~~ 60 degrees
350 Fahrenheit and a pressure of 14.7 pounds per square inch absolute), used in its operations within the
351 Commonwealth.

352 The tax imposed by this chapter shall be in addition to all other taxes of whatever character imposed
353 on a motor carrier by any other provision of law.

354 B. In lieu of the tax imposed in subsection A, motor carriers registering qualified highway vehicles
355 that are not registered under the International Registration Plan shall pay a fee of ~~\$100~~ \$150 per year
356 for each qualified highway vehicle. The fee is due and payable when the vehicle registration fees are
357 paid pursuant to the provisions of Article 7 (§ 46.2-685 et seq.) of Chapter 6 of Title 46.2.

358 If a vehicle becomes a qualified highway vehicle before the end of its registration period, the fee due
359 at the time the vehicle becomes a qualified highway vehicle shall be prorated monthly to the registration
360 expiration month. Fees paid under this subsection shall not be refunded unless a full refund of the
361 registration fee paid is authorized by law.

362 C. All taxes and fees paid under the provisions of this chapter shall be credited to the Highway
363 Maintenance and Operating Fund, a special fund within the Commonwealth Transportation Fund.

364 § 58.1-2706. Credit for payment of motor fuel, diesel fuel or liquefied gases tax.

365 A. Every motor carrier subject to the road tax shall be entitled to a credit on such tax equivalent to
366 ~~sixteen~~ 23 cents per gallon on all motor fuel, diesel fuel and liquefied gases purchased by such carrier

within the Commonwealth for use in its operations either within or without the Commonwealth and upon which the motor fuel, diesel fuel or liquefied gases tax imposed by the laws of the Commonwealth has been paid by such carrier. Evidence of the payment of such tax in such form as may be required by, or is satisfactory to, the Department shall be furnished by each carrier claiming the credit herein allowed.

B. When the amount of the credit to which any motor carrier is entitled for any quarter exceeds the amount of the tax for which such carrier is liable for the same quarter, the excess may: (i) be allowed as a credit on the tax for which such carrier would be otherwise liable for any of the eight succeeding quarters or (ii) be refunded, upon application, duly verified and presented and supported by such evidence as may be satisfactory to the Department.

C. The Department may allow a refund upon receipt of proper application and review. It shall be at the discretion of the Department to determine whether an audit is required.

D. The refund may be allowed without a formal hearing if the amount of refund is agreed to by the applicant. Otherwise, a formal hearing on the application shall be held by the Department after notice of not less than ~~ten~~10 days to the applicant and the Attorney General.

E. Whenever any refund is ordered it shall be paid out of the Highway Maintenance and Construction Fund.

F. Whenever a person operating under lease to a motor carrier to perform transport services on behalf of the carrier purchases motor fuel, diesel fuel or liquefied gases relating to such services, such payments or purchases may, at the discretion of the Department, be considered payment or purchases by the carrier.

2. That any revenues distributed to an Authority pursuant to this act shall not be used to calculate or reduce the share of federal, state, or local revenues or funds otherwise available to counties and cities of this Commonwealth, nor shall they be used to calculate or reduce any allocation of revenues or funds made pursuant to Title 33.1 of the Code of Virginia. Such share or allocation of revenues or funds that shall not be reduced includes, but is not limited to, state basic aid payments.

3. That Chapter 48.2 (§ 15.2-4829 et seq.) of Title 15.2 is repealed effective January 1, 2005.

4. That the provisions of this act are effective January 1, 2005.