

18104751D

HOUSE BILL NO. 1083

Offered January 10, 2018

Prefiled January 10, 2018

A *BILL to amend and reenact §§ 58.1-2295, as it is currently effective, and 58.1-2299.20, as it is currently effective, of the Code of Virginia, relating to the motor vehicle fuels sales tax in certain transportation districts; price floor.*

Patron—Filler-Corn

Referred to Committee on Rules

Be it enacted by the General Assembly of Virginia:

1. That §§ 58.1-2295, as it is currently effective, and 58.1-2299.20, as it is currently effective, of the Code of Virginia are amended and reenacted as follows:

§ 58.1-2295. (Contingent expiration date) Levy; payment of tax.

A. 1. *For purposes of this subsection, "regional price" means the average sales price of fuels sold in a county or city that meets the qualifications of clause (i) or (ii).* In addition to all other taxes now imposed by law, there is hereby imposed a tax upon every distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any county or city that is a member of (i) any transportation district in which a rapid heavy rail commuter mass transportation system operating on an exclusive right-of-way and a bus commuter mass transportation system are owned, operated, or controlled by an agency or commission as defined in § 33.2-1901 or (ii) any transportation district that is subject to subsection C of § 33.2-1915 and that is contiguous to the Northern Virginia Transportation District.

2. *The tax under this subsection shall be imposed on each gallon of fuel sold by a distributor to a retail dealer for retail sale at a rate of 2.1 percent of the regional price of a gallon of fuel for the applicable base period, as determined by the Commissioner as set forth in this subdivision. In computing the regional price of a gallon of fuel, the Commissioner shall use the period from December 1 through May 31 as the base period for such determination for the immediately following applied period, beginning July 1 and ending December 31, inclusive. The period from June 1 through November 30 shall be the next base period for the immediately following applied period beginning January 1 and ending June 30, inclusive. In no case shall the regional price for a gallon of fuel used to calculate the tax pursuant to this subsection be less than the statewide average wholesale price of a gallon of unleaded regular gasoline on February 20, 2013.*

B. 1. *For purposes of this subsection, "regional price" means the average sales price of fuels sold in a county or city that meets the qualifications of clause (i) or (ii).* In addition to all other taxes now imposed by law, there is hereby imposed a tax upon every distributor who engages in the business of selling fuels at wholesale to retail dealers for retail sale in any county or city that is located in a Planning District established pursuant to Chapter 42 (§ 15.2-4200 et seq.) of Title 15.2 that (i) as of January 1, 2013, has a population of not less than 1.5 million but fewer than two million, as shown by the most recent United States Census, has not less than 1.2 million but fewer than 1.7 million motor vehicles registered therein, and has a total transit ridership of not less than 15 million but fewer than 50 million riders per year across all transit systems within the Planning District or (ii) as shown by the most recent United States Census meets the population criteria set forth in clause (i) and also meets the vehicle registration and ridership criteria set forth in clause (i). In any case in which the tax is imposed pursuant to clause (ii) such tax shall be effective beginning on the July 1 immediately following the calendar year in which all of the criteria have been met.

2. *The tax under this subsection shall be imposed on each gallon of fuel sold by a distributor to a retail dealer for retail sale at a rate of 2.1 percent of the regional price of a gallon of fuel for the applicable base period, as determined by the Commissioner as set forth in this subdivision. In computing the regional price of a gallon of fuel, the Commissioner shall use the period from December 1 through May 31 as the base period for such determination for the immediately following applied period, beginning July 1 and ending December 31, inclusive. The period from June 1 through November 30 shall be the next base period for the immediately following applied period beginning January 1 and ending June 30, inclusive. In no case shall the regional price for a gallon of fuel used to calculate the tax pursuant to this subsection be less than the statewide average wholesale price of a gallon of unleaded regular gasoline on February 20, 2013.*

B. The tax shall be imposed at a rate of 2.1 percent of the sales price charged by a distributor for fuels sold to a retail dealer for retail sale in any such county or city. C. In any such sale to a retail

INTRODUCED

HB1083

59 dealer in which the distributor and the retail dealer are the same person, the sales price charged by the
60 distributor shall be the cost price to the distributor of the fuel.

61 D. The tax levied under this section shall be imposed at the time of sale by the distributor to the
62 retail dealer.

63 C. E. The tax imposed by this section shall be paid by the distributor, but the distributor shall
64 separately state the amount of the tax and add such tax to the sales price or charge. Thereafter, such tax
65 shall be a debt from the retail dealer to the distributor until paid and shall be recoverable at law in the
66 same manner as other debts. No action at law or suit in equity under this chapter shall be maintained in
67 the Commonwealth by any distributor who is not registered under § 58.1-2299.2 or is delinquent in the
68 payment of taxes imposed under this chapter.

69 **§ 58.1-2299.20. (Contingent expiration date) Disposition of tax revenues.**

70 A. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
71 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in ~~subdivision~~
72 *subsection A* 4 of § 58.1-2295, after subtraction of the direct costs of administration by the Department,
73 shall be deposited in a special fund entitled the "Special Fund Account of the Transportation District of
74 _____." The amounts deposited in the special fund shall be distributed monthly to the applicable
75 transportation district commission of which the county or city is a member to be applied to the
76 operating deficit, capital, and debt service of the mass transit system of such district or, in the case of a
77 transportation district subject to the provisions of subsection C of § 33.2-1915, to be applied to and
78 expended for any transportation purpose of such district. In the case of a jurisdiction which, after July 1,
79 1989, joins a transportation district which was established on or before January 1, 1986, and is also
80 subject to subsection C of § 33.2-1915, the funds collected from that jurisdiction shall be applied to and
81 expended for any transportation purpose of such jurisdiction. The direct costs of administration shall be
82 credited to the funds appropriated to the Department.

83 B. All taxes, interest, and civil penalties paid to the Commissioner pursuant to this chapter for the
84 sale of fuels at wholesale to retail dealers for retail sale in any county or city set forth in ~~subdivision A~~
85 *subsection B* of § 58.1-2295, after subtraction of the direct costs of administration by the Department,
86 shall be deposited into special funds established by law. In the case of Planning District 23, the revenue
87 generated and collected therein shall be deposited into the fund established in § 33.2-2600. For
88 additional Planning Districts that may become subject to this section, funds shall be established by
89 appropriate legislation. The direct cost of administration shall be credited to the funds appropriated to
90 the Department.