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HOUSE JOINT RESOLUTION NO. 191

Offered January 26, 1998

Establishing a joint subcommittee to study whether the Commonwealth should revise its point of collection system for state motor fuels taxes.

Patrons—Cranwell and Parrish

Referred to Committee on Rules

WHEREAS, currently, the Commonwealth's state taxes on motor fuels, including gasoline and diesel fuel, are collected by petroleum distributors (jobbers), service stations (dealers), and refiners (oil companies), and remitted to the Virginia Department of Motor Vehicles; and

WHEREAS, Virginia has been fortunate in having few if any problems with evasion in the payment of such taxes, especially as compared to other states; and

WHEREAS, Virginia has further reduced tax evasions by requiring diesel fuel for vehicular use to be dyed; and

WHEREAS, Virginia's marketing and distribution system for motor fuel is a complex system involving varied agreements between refiners, distributors, and dealers; and

WHEREAS, several other states have revised their system of state motor fuel tax collection from one based upon the volume of motor fuel sold to motorists to a system based upon motor fuel distributed at terminals of refiners; and

WHEREAS, moving the point of collection may adversely affect marketplace conditions and the distribution of motor fuel to the public; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study whether the Commonwealth should revise its point of collection system for state fuels taxes. The joint subcommittee shall consider the effect of such a revision upon motorists and the availability of motor fuel, its effect upon those businesses in the Commonwealth involved in the distribution and retailing of motor fuel, and the revenue impact upon related industry and the Commonwealth.

The joint subcommittee shall be composed of 13 members, which shall include nine legislative members, three nonlegislative citizen members, and one ex officio member, as follows: four members of the Senate, to include two members of the Senate Finance Committee and two members of the Senate Transportation Committee, to be appointed by the Senate Committee on Privileges and Elections; five members of the House of Delegates, to include three members of the House Finance Committee and two members of the House Appropriations Committee, to be appointed by the Speaker of the House; one citizen representing petroleum jobbers, to be appointed by the Senate Committee on Privileges and Elections; one citizen representing service station dealers, to be appointed by the Speaker of the House; and one citizen representing petroleum refiners, to be appointed by the Senate Committee on Privileges and Elections; and the Secretary of Transportation or her designee, to serve ex officio with voting privileges. The citizen members shall either be presently participating in the state fuels tax collection system, have extensive knowledge of such system, or both.

The direct costs of this study shall not exceed \$ 6,600.

The Division of Legislative Services shall provide staff support for the study. All agencies of the Commonwealth shall provide assistance to the joint subcommittee, upon request.

The joint subcommittee shall complete its work in time to submit its findings and recommendations to the Governor and the 1999 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

INTRODUCED

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