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SENATE BILL NO. 323

Offered January 20, 1998

A BILL to amend and reenact §§ 15.2-4513, 58.1-1720 and 58.1-1724 of the Code of Virginia, relating to the disposition of the two percent motor vehicle fuel sales tax revenues collected within a certain transportation district.

Patrons—Saslaw and Woods; Delegates: Callahan, Hull and Watts

Referred to the Committee on Finance

Be it enacted by the General Assembly of Virginia:

1. That §§ 15.2-4513, 58.1-1720 and 58.1-1724 of the Code of Virginia are amended and reenacted as follows:

§ 15.2-4513. Funds of commission.

A. All moneys of a commission, whether derived from any contract of the commission or from any other source, shall be collected, received, held, secured and disbursed in accordance with any relevant contract of the commission. This section shall apply to such moneys only if and to the extent they are consistent with such commission contracts.

B. Such moneys shall not be required to be paid into the state treasury or into the treasury or to any officer of any county or city.

C. All such moneys shall be deposited by the commission in a separate bank account, appropriately designated, in banks or trust companies designated by the commission.

D. In the case of the transportation district created by Chapter 630 of the 1964 Acts of Assembly, as amended, all taxes distributed monthly to the commission of that district in accordance with § 58.1-1724 shall be credited by that commission to the account of the individual cities and counties which comprise such district. The taxes shall be credited in accordance with the procedures set forth in § 58.1-605, mutatis mutandis, to each city or county in which the motor fuels sales were made.

§ 58.1-1720. Sales tax on fuel in certain transportation districts.

A. There is hereby levied, in addition to all other taxes imposed on fuels subject to tax under Chapter 21 (§ 58.1-2100 et seq.) of this title, in every county or city which is a member of 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 a commission as defined in § ~~15.1-1344~~ 15.2-4502, or in any transportation district which is subject to § ~~15.1-1357 (b) (6)~~ 15.2-4515 C and which is contiguous to the Northern Virginia Transportation District, a sales tax of two percent of the retail price of such fuels sold within such county or city. As used in this section, "retail sale" means a sale to a consumer or to any person for any purpose other than resale.

B. The tax imposed under this section shall be subject to the provisions of the Virginia Retail Sales and Use Tax Act (§ 58.1-600 et seq.), except that the exemption provided for motor vehicle fuels under § 58.1-609.13, and the bracket system provided in such act, shall not be applicable.

§ 58.1-1724. Disposition of tax revenues.

All taxes paid to the Commissioner pursuant to this article, after subtraction of the direct costs of administration by the Department, shall be deposited in a special fund entitled the "Special Fund Account of the Transportation District of....." The amounts deposited in the special fund shall be distributed monthly to the applicable transportation district commission of which the county or city is a member to be applied to the operating deficit, capital and debt service of the mass transit system of such district or, in the case of a transportation district subject to the provisions of § ~~15.1-1357 (b) (6)~~ 15.2-4515 C, to be applied to and expended for any transportation purpose of such district. *In the case of the transportation district created by Chapter 630 of the 1964 Acts of Assembly, as amended, all taxes distributed to the commission of that district shall be credited to the account of the individual cities and counties which comprise that district in accordance with § 15.2-4513 D.* In the case of a jurisdiction which, after July 1, 1989, joins a transportation district which was established on or before January 1, 1986, and is also subject to § ~~15.1-1357 (b) (6)~~ 15.2-4515 C, the funds collected from that jurisdiction shall be applied to and expended for any transportation purpose of such jurisdiction. The direct costs of administration shall be credited to the funds appropriated to the Department.

INTRODUCED

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