

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** SB733

House of Origin    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
Second House    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Petersen

**3. Committee:** Finance

**4. Title:** Fuels taxes; indexing of tax rates.

**5. Summary:** This bill increases or decreases each year the rates of Virginia's fuels taxes using a fuel efficiency index. The bill defines the fuel efficiency index as the quotient that is obtained when using as the numerator the total annual vehicle miles traveled in the Commonwealth for the relevant year and using as the denominator the total gallons of motor fuel consumed for highway use in the Commonwealth for the relevant year, as published by the Federal Highway Administration of the U.S. Department of Transportation.

**6. Budget Amendment Necessary:** Yes, Item 447.

**7. Fiscal Impact Estimates:** Preliminary.

**7b. Revenue Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2014	\$2,500,000	Highway Maintenance and Operating Fund
2015	\$16,200,000	Highway Maintenance and Operating Fund
2016	\$22,200,000	Highway Maintenance and Operating Fund
2017	\$28,500,000	Highway Maintenance and Operating Fund
2018	\$34,900,000	Highway Maintenance and Operating Fund

**8. Fiscal Implications:** The estimated revenue impact has been calculated by the Department of Taxation. The estimate for vehicle miles traveled (VMT) data is based on 2007 VMT data. Motor fuel consumption estimates are based on a December 2012 Commonwealth Transportation Fund forecast. The revenue impact in FY 2014 represents a 2-month effect of the proposed tax changes. Any additional revenues collected will be deposited to the Highway Maintenance and Operating Fund.

It is estimated that the Department of Motor Vehicles will experience a one-time cost of \$7,500 to implement the provisions of this legislation.

**9. Specific Agency or Political Subdivisions Affected:** Department of Motor Vehicles.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 1/10/13

**Document:** Janet Vogelgesang G:\12-14\2013\FIS\SB733.docx

c: Secretary of Transportation