

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: SB1470

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

2. Patron: Edwards

3. Committee: Finance

4. Title: Additional motor fuels tax

5. Summary: This bill imposes an additional motor fuels tax equal to five percent of the average wholesale price of gasoline on the sale of gasoline, gasohol, diesel, and alternative fuels. \$300 million of the new revenues would be reserved for improvements to Interstate 81 and the remainder would be distributed pursuant to existing allocation formulas for statewide transportation needs.

6. Budget Amendment Necessary: Yes, Items 450 and 451.

7. Fiscal Impact Estimates: Preliminary. See Item #8.

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Interstate 81 (\$M)</i>	<i>Commonwealth Transportation Fund (\$M)</i>
2019	-	-
2020	\$300.0	\$271.9
2021	\$300.0	\$363.4
2022	\$300.0	\$379.3
2023	\$300.0	\$390.3
2024	\$300.0	\$403.9

8. Fiscal Implications: The revenue impact for FY 2020 reflects 11 months of revenue. Taxpayers are required to pay the tax on the 20th day of the second month following the month in which the activity occurred, except May activity which must be filed and paid by the last business day in June.

This legislation will not result in a significant expenditure increase for the Department of Motor Vehicles (DMV). The staff hours required to implement the bill can be accomplished during the normal work schedules for DMV employees, given current workloads.

9. Specific Agency or Political Subdivisions Affected: Department of Motor Vehicles, Virginia Department of Transportation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 1/21/2019

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Cc: Secretary of Transportation