

HOUSE RESEARCH

Bill Summary

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Overview

This bill modifies two motor fuel tax provisions enacted in the 2008 transportation finance bill (H.F. 2800/Laws 2008, chapter 152).

Section

- 1 Surcharge administration.** Clarifies that the motor fuels tax surcharge for trunk highway bonding debt service is subject to the same tax assessment, enforcement, penalty, and refund provisions as the motor fuels taxes.
- 2 Special fuel excise tax; transition provision.** Modifies an increase in the tax on compressed natural gas to match the proportional increase for other types of special fuels (such as liquefied petroleum gas and liquefied natural gas). Clarifies that the effective date for the increases is April 1, 2008 .

The increases in the provision are in proportion to a 2-cent gas tax increase, which is the first part of a phased-in increase in motor fuels taxes. The second part, an additional 3-cent tax increase on gasoline (and a proportional rate on other motor fuels), goes into effect October 1, 2008 .