

MEMO

TO: Rep. Sellers
FROM: Tom Cone
DATE: December 5, 2011
RE: Gas user fee and tax reduction

Carl McIntosh of our staff passed along to me a request from Don Hottel to draft legislation for you reducing the motor fuels user fee and road tax on motor carriers ten percent.

I have enclosed a draft for you to review. Please advise me how you wish to proceed.

cc Don Hottel

1 DRAFT PREPARED BY LEGISLATIVE COUNCIL
2 For: Rep. Sellers (Don Hottel)
3 Attorney: Cone
4 Stenographer: Melton
5 Date: December 5, 2011
6 DOC. I.D.: L:\COUNCIL\BILLS\BBM\10465HTC12.DOCX
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9 **A BILL**

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11 TO AMEND SECTIONS 12-28-310, AS AMENDED, 56-11-410,
12 AND 56-11-450, CODE OF LAWS OF SOUTH CAROLINA,
13 1976, RELATING TO THE IMPOSITION OF THE SIXTEEN
14 CENTS A GALLON MOTOR FUELS USER FEE AND ROAD
15 TAX ON MOTOR CARRIERS, SO AS TO REDUCE THE FEE
16 AND TAX BY TEN PERCENT TO 14.4 CENTS A GALLON
17 EFFECTIVE JULY 1, 2012; AND BY ADDING SECTION
18 12-28-2715 SO AS TO ADJUST APPLICABLE DISTRIBUTION
19 FORMULAS FOR MOTOR FUEL USER FEE REVENUES
20 AND ROAD TAX REVENUES TO REFLECT THIS
21 REDUCTION.
22

23 Be it enacted by the General Assembly of the State of South
24 Carolina:

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26 SECTION 1. A. Section 12-28-310(A) of the 1976 Code, as last
27 amended by Act 386 of 2006, is further amended to read:
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29 “(A) Subject to the exemptions provided in this chapter, a user
30 fee of ~~sixteen~~ 14.4 cents a gallon is imposed on:

31 (1) all gasoline, gasohol, or blended fuels containing
32 gasoline that are used or consumed for any purpose in this State;
33 and

34 (2) all diesel fuel, substitute fuels, or alternative fuels, or
35 blended fuels containing diesel fuel that are used or consumed in
36 this State in producing or generating power for propelling motor
37 vehicles.”
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39 B. Section 56-11-410 of the 1976 Code is amended to read:

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41 “Section 56-11-410. A road tax for the privilege of using the
42 streets and highways in this State is imposed upon every motor

1 carrier. The tax is equivalent to ~~sixteen~~ 14.4 cents a gallon,
2 calculated on the amount of gasoline or other motor fuel used by
3 the motor carrier in its operations within this State. Except as
4 credit for certain taxes as provided for in this chapter, taxes
5 imposed on motor carriers by this chapter are in addition to taxes
6 imposed upon the carriers by any other provision of law.”

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8 C. Section 56-11-450(A) of the 1976 Code is amended to read:

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10 “(A) Every motor carrier subject to the tax imposed under this
11 chapter is entitled to a credit on the tax equivalent to ~~sixteen~~ 14.4
12 cents ~~per~~ a gallon on all gasoline or other motor fuel purchased by
13 the carrier within this State for use in operations either within or
14 without this State and upon which gasoline or other motor fuel the
15 tax imposed by the laws of this State has been paid by the carrier.
16 Evidence of the payment of the tax in such form as may be
17 required by or is satisfactory to the Department of Motor Vehicles
18 must be furnished by each carrier claiming the credit.”

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20 SECTION 2. Article 27, Chapter 28, Title 28 of the 1976 Code is
21 amended by adding:

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23 “Section 12-28-2715. After June 30, 2012, formulas providing
24 for the calculating and distribution of revenues of the motor fuels
25 user fee imposed pursuant to Section 12-28-310 and the road tax
26 on motor carriers pursuant to Section 56-11-410, must be
27 proportionately adjusted to reflect the decrease of that fee and tax
28 that takes effect July 1, 2012.”

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30 SECTION 3. This act takes effect July 1, 2012.

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