



2005 SENATE BILL 422

November 3, 2005 - Introduced by Senator REYNOLDS. Referred to Committee on Natural Resources and Transportation.

1 **AN ACT to create** 25.40 (1) (bn) and 78.23 of the statutes; **relating to:** the annual
2 adjustment of the motor vehicle fuel tax rate and depositing sales and use tax
3 revenues from the sale or use of motor vehicle parts into the transportation
4 fund.

Analysis by the Legislative Reference Bureau

Under current law, the rate of the motor vehicle fuel tax is annually adjusted by multiplying the tax rate by the percentage change in the annual average U.S. Consumer Price Index.

Under this bill, if the motor vehicle fuel tax is no longer annually adjusted, annually, beginning in 2007, an amount from the sales and use taxes imposed on the sale or use of motor vehicle parts will be deposited into the transportation fund. That amount is equal to the difference between the amount of motor vehicle fuel taxes that would have been generated in the current fiscal year if the annual adjustment of the motor vehicle fuel tax was in effect and the amount of the motor vehicle fuel taxes actually generated in the current fiscal year.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

