LRB-3966/1 JK:wlj:rs

2005 SENATE BILL 421

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

AN ACT to amend 78.015 (1), 78.12 (4) (a) 4. and 78.12 (4) (b) 2. of the statutes; and to affect 2005 Wisconsin Act 25, section 9408 (1x); relating to: eliminating the annual adjustment of the motor vehicle fuel tax rate.

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, after the adjustment of the tax rate on April 1, 2006, the rate of the motor vehicle fuel tax is not annually adjusted.

Under current law, the petroleum inspection fee rate is 3 cents per gallon on all petroleum products that are received by a supplier for sale in this state or for sale or export to this state. Beginning on May 1, 2006, however, the rate of the petroleum inspection fee is 2 cents per gallon on all such products. Under the bill, beginning on April 1, 2006, the rate of the petroleum inspection fee is 2 cents per gallon on all such products.

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:

SENATE BILL 421

SECTION 1. 78.015 (1) of the statutes is amended to read:
78.015 (1) Before April 1 the department shall recompute and publish the rate
for the tax imposed under s. $78.01\ (1)$. The new rate per gallon shall be calculated
by multiplying the rate in effect at the time of the calculation by the amount obtained
under sub. (2). After the calculation of the rate that takes effect on April 1, 2006, the
department shall make no further calculation under this subsection and sub. (2).
Section 2. 78.12 (4) (a) 4. of the statutes is amended to read:
78.12 (4) (a) 4. Multiply the number of gallons under subd. 3. by the rate
<u>published</u> under s. 78.015 as increased under s. 78.017.
Section 3. 78.12 (4) (b) 2. of the statutes is amended to read:
78.12 (4) (b) 2. Multiply the number of gallons under subd. 1. by the rate
published under s. 78.015 as increased under s. 78.017.
SECTION 4. 2005 Wisconsin Act 25, section 9408 (1x) is amended to read:
[2005 Wisconsin Act 25] Section 9408 (1x) Petroleum inspection fee. The
treatment of section 168.12 (1) of the statutes takes effect on $\underline{\text{May April}}$ 1, 2006.

(END)