



1995 ASSEMBLY BILL 353

May 5, 1995 - Introduced by Representatives DUFF, HAHN, ALBERS, OTT and SKINDRUD. Referred to Committee on Ways and Means.

1 **AN ACT to repeal and recreate** 78.405 of the statutes; **relating to:** the rate for
2 the alternate fuels tax.

Analysis by the Legislative Reference Bureau

Under current law, the rate for the tax on alternate fuels (fuels, other than motor vehicle fuel, that are used to propel motor vehicles) is the same as the rate for the tax on motor vehicle fuel. Under this bill, the rate for the tax on alternate fuels is in the same proportion to the rate for the tax on motor vehicle fuel as the proportion of the British thermal units per gallon of the two kinds of fuels. The department of revenue, by rule, sets the rate for the alternate fuel tax annually. The rate changes on April 1, the date when the new rate for the motor vehicle fuel tax is effective.

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:

3 **SECTION 1.** 78.405 of the statutes is repealed and recreated to read:

4 **78.405 Annual adjustment of the tax rate.** (1) The department annually
5 shall calculate the rate for the tax under s. 78.40 as follows:

6 (a) Determine the average number of British thermal units per gallon
7 generated by motor vehicle fuel.

8 (b) Determine the average number of British thermal units per gallon
9 generated by each kind of alternate fuel that is sold in this state.

