

2015 DRAFTING REQUEST

Bill

Received: 11/11/2015 Received By: jkreye
For: Jon Erpenbach (608) 266-6670 Same as LRB:
May Contact: By/Representing: tryg
Subject: Tax, Other - fuel Drafter: jkreye
Addl. Drafters: emueller
Extra Copies:

Submit via email: YES
Requester's email: Sen.Erpenbach@legis.wisconsin.gov
Carbon copy (CC) to: joseph.kreye@legis.wisconsin.gov
eric.mueller@legis.wisconsin.gov

Pre Topic:

No specific pre topic given

Topic:

Increase motor vehicle fuel tax rate to pay debt service on transportation bonding

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/P1	jkreye 12/10/2015	anienaja 11/12/2015	_____	sbasford 11/12/2015		State S&L
/1	jkreye 1/13/2016	kfollett 12/10/2015	_____	mbarman 12/10/2015	mbarman 12/10/2015	State S&L
/2		anienaja	_____	sbasford	sbasford	State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
		1/15/2016	_____	1/15/2016	1/15/2016	S&L

FE Sent For:

@
INTRO

<END>

Kreye, Joseph

From: Mueller, Eric
Sent: Wednesday, November 11, 2015 1:10 PM
To: Kreye, Joseph
Subject: FW: Bill draft request

Eric Mueller
Attorney, Legislative Reference Bureau
Phone: (608)261-7032
eric.mueller@legis.wisconsin.gov

From: Knutson, Tryg
Sent: Wednesday, November 11, 2015 12:42 PM
To: Mueller, Eric <Eric.Mueller@legis.wisconsin.gov>
Subject: Bill draft request

Hi Eric –

After JFC last week – Senator Erpenbach would like to draft a bill to increase the Gas Tax by 5 cents per gallon.

He would like a portion of the increase to alleviate the amount of debt service we took on with JFC action last Weds. – at least the \$12+ million that is coming out of GPR....

Please let me know if you have any questions.

Would appreciate a p:draft at this point.

Thanks.

Tryg Knutson
Sen. Erpenbach's Office



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-3846/P1

JK&EVM:...

Amr

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

*JA ✓
Wet ✓*

Chun 11-12

Gen ✓

- 1 **AN ACT ...; relating to:** increasing the motor vehicle fuel tax rate to pay debt
- 2 service on transportation bonding.

Analysis by the Legislative Reference Bureau

This bill increases the motor vehicle fuel tax rate by five cents per gallon and uses the additional tax revenue from that increase to make payments on the debt service on contingent funding of major highway and rehabilitation projects.

For further information see the ***state and local*** 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.** 25.40 (1) (b) of the statutes is amended to read:
- 4 **25.40 (1) (b)** Motor vehicle fuel and general aviation fuel taxes and other
- 5 revenues collected under ch. 78 minus the costs of collecting delinquent taxes under
- 6 s. 73.03 (28) and except as provided under s. 78.019.

History: 1971 c. 125, 211; 1973 c. 90, 333; 1975 c. 39; 1975 c. 163 s. 16; 1975 c. 199; 1977 c. 29, 274, 418, 447; 1979 c. 34; 1979 c. 361 s. 113; 1981 c. 20; 1981 c. 347 s. 80 (2), (4); 1983 a. 27, 538; 1985 a. 16 s. 15; 1985 a. 29 ss. 638p, 3202 (51); 1985 a. 120 ss. 66, 3202 (56); 1985 a. 332; 1987 a. 3, 27, 110, 399, 403; 1989 a. 31, 102, 105, 359; 1991 a. 39, 104, 189, 269, 309, 315; 1993 a. 16, 123, 205, 253, 415, 437, 491; 1995 a. 27, 113, 201, 269, 280, 445; 1997 a. 27, 35, 41, 135, 237, 255; 1999 a. 9, 32, 92, 167; 2001 a. 16; 2003 a. 33, 139; 2005 a. 25, 45, 85, 179, 199, 260, 319; 2007 a. 42, 97, 107; 2009 a. 28, 100, 135, 224, 226; 2011 a. 32, 208; 2011 a. 260 s. 80; 2013 a. 20, 188, 266, 363; s. 13.92 (1) (bm) 2.

1 **SECTION 2.** ^X78.01 (1) of the statutes is amended to read:

2 ^X78.01 (1) IMPOSITION OF TAX AND BY WHOM PAID. An excise tax at the rate
3 determined under ss. 78.015 ~~and~~, 78.017, [✓]and 78.018 is imposed on all motor vehicle
4 fuel received by a supplier for sale in this state, for sale for export to this state or for
5 export to this state except as otherwise provided in this chapter. The motor vehicle
6 fuel tax is to be computed and paid as provided in this chapter. Except as otherwise
7 provided in this chapter, a person who receives motor vehicle fuel under s. 78.07 shall
8 collect from the purchaser of the motor vehicle fuel that is received, and the
9 purchaser shall pay to the person who receives the motor vehicle fuel under s. 78.07,
10 the tax imposed by this section on each sale of motor vehicle fuel at the time of the
11 sale, irrespective of whether the sale is for cash or on credit. In each subsequent sale
12 or distribution of motor vehicle fuel on which the tax has been collected as provided
13 in this subsection, the tax collected shall be added to the selling price so that the tax
14 is paid ultimately by the user of the motor vehicle fuel.

History: 1979 c. 221; 1981 c. 20; 1983 a. 27; 1985 a. ^X53; 1987 a. 27; 1987 a. 312 s. 17; 1987 a. 399; 1989 a. 31; 1991 a. 39, 316; 1993 a. 16, 437; 1995 a. 113; 1997 a. 27, 237; 2009 a. 401; 2011 a. 208; 2013 a. 204.

15 **SECTION 3.** ^X78.018 of the statutes is created to read:

16 ^X78.018 **Adjustment in 2016.** On April 1, 2016, the rate of the tax imposed
17 under s. 78.01 (1) is increased by 5 cents.

18 **SECTION 4.** ^X78.019 of the statutes is created to read:

19 ^X78.019 **Debt service payments.** Beginning on April 1, 2016, the amount of
20 the taxes imposed under s. 78.01 (1) equal to 5 cents per gallon shall be credited to
21 the appropriation account under s. 20.395 [✓](6) (ae).

22 **SECTION 5.** ^X78.12 (4) (a) 4. of the statutes is amended to read:

1 ~~λ~~ 78.12 (4) (a) 4. Multiply the number of gallons under subd. 3. by the rate
2 published under s. 78.015 as increased under ~~s.~~ ss. 78.017 and 78.018.

3 ~~History:~~ 1973 c. 333; 1975 c. 180, 421; 1977 c. 418; 1979 c. 221; 1985 a. 153; 1987 a. 399; 1991 a. 39, 316; 1993 a. 16, 437; 1997 a. 27; 2005 a. 85.

3 **SECTION 6.** 78.12 (4) (b) 2. of the statutes is amended to read:

4 ~~λ~~ 78.12 (4) (b) 2. Multiply the number of gallons under subd. 1. by the rate
5 published under s. 78.015 as increased under ~~s.~~ ss. 78.017 and 78.018.

6 ~~History:~~ 1973 c. 333; 1975 c. 180, 421; 1977 c. 418; 1979 c. 221; 1985 a. 153; 1987 a. 399; 1991 a. 39, 316; 1993 a. 16, 437; 1997 a. 27; 2005 a. 85.

(END)

Kreye, Joseph

From: Knutson, Tryg
Sent: Thursday, December 10, 2015 10:31 AM
To: Kreye, Joseph
Subject: FW: Draft review: LRB -3846/P1
Attachments: 15-3846/P1.pdf

Hi –

We're ready to introduce this as written.

Thanks.

Tryg Knutson
Sen. Erpenbach's Office

From: LRB.Legal
Sent: Thursday, November 12, 2015 10:32 AM
To: Sen.Erpenbach <Sen.Erpenbach@legis.wisconsin.gov>
Subject: Draft review: LRB -3846/P1

Following is the PDF version of draft LRB -3846/P1.



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-3846/P1
JK&EVM:amn

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

Today 12-10

1 AN ACT *to amend* 25.40 (1) (b), 78.01 (1), 78.12 (4) (a) 4. and 78.12 (4) (b) 2.; and
2 *to create* 78.018 and 78.019 of the statutes; **relating to:** increasing the motor
3 vehicle fuel tax rate to pay debt service on transportation bonding.

Analysis by the Legislative Reference Bureau

This bill increases the motor vehicle fuel tax rate by five cents per gallon and uses the additional tax revenue from that increase to make payments on the debt service on contingent funding of major highway and rehabilitation projects.

For further information see the ***state and local*** 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:

4 SECTION 1. 25.40 (1) (b) of the statutes is amended to read:
5 25.40 (1) (b) Motor vehicle fuel and general aviation fuel taxes and other
6 revenues collected under ch. 78 minus the costs of collecting delinquent taxes under
7 s. 73.03 (28) and except as provided under s. 78.019.

8 SECTION 2. 78.01 (1) of the statutes is amended to read:

SECTION 2

1 78.01 (1) IMPOSITION OF TAX AND BY WHOM PAID. An excise tax at the rate
2 determined under ss. 78.015 and, 78.017, and 78.018 is imposed on all motor vehicle
3 fuel received by a supplier for sale in this state, for sale for export to this state or for
4 export to this state except as otherwise provided in this chapter. The motor vehicle
5 fuel tax is to be computed and paid as provided in this chapter. Except as otherwise
6 provided in this chapter, a person who receives motor vehicle fuel under s. 78.07 shall
7 collect from the purchaser of the motor vehicle fuel that is received, and the
8 purchaser shall pay to the person who receives the motor vehicle fuel under s. 78.07,
9 the tax imposed by this section on each sale of motor vehicle fuel at the time of the
10 sale, irrespective of whether the sale is for cash or on credit. In each subsequent sale
11 or distribution of motor vehicle fuel on which the tax has been collected as provided
12 in this subsection, the tax collected shall be added to the selling price so that the tax
13 is paid ultimately by the user of the motor vehicle fuel.

14 **SECTION 3.** 78.018 of the statutes is created to read:

15 **78.018 Adjustment in 2016.** On April 1, 2016, the rate of the tax imposed
16 under s. 78.01 (1) is increased by 5 cents.

17 **SECTION 4.** 78.019 of the statutes is created to read:

18 **78.019 Debt service payments.** Beginning on April 1, 2016, the amount of
19 the taxes imposed under s. 78.01 (1) equal to 5 cents per gallon shall be credited to
20 the appropriation account under s. 20.395 (6) (ae).

21 **SECTION 5.** 78.12 (4) (a) 4. of the statutes is amended to read:

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23 published under s. 78.015 as increased under s. ss. 78.017 and 78.018.

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2 published under s. 78.015 as increased under ~~s.~~ ss. 78.017 and 78.018.

3

(END)

Basford, Sarah

From: Knutson, Tryg
Sent: Thursday, December 10, 2015 12:05 PM
To: LRB.Legal
Subject: Draft Review: LRB -3846/1

Please Jacket LRB -3846/1 for the SENATE.

Kreye, Joseph

From: Knutson, Tryg
Sent: Tuesday, January 12, 2016 4:30 PM
To: Kreye, Joseph
Cc: Laundrie, Julie
Subject: RE: Draft review: LRB -3846/P1

Hi Joe -

My boss is looking for another version of 3846 – this time including re-establishing gas tax indexing every April as we used to have. Can make the indexing begin the 1st April after publication of the bill.

I will be out of the office the next few days – if you could make sure Julie Laundrie knows when the draft is available – would be much appreciated. Copied her here.

Thanks.

Tryg

From: Kreye, Joseph
Sent: Thursday, December 10, 2015 10:32 AM
To: Knutson, Tryg <Tryg.Knutson@legis.wisconsin.gov>
Subject: RE: Draft review: LRB -3846/P1

Got it.

Joseph T. Kreye
Legal Services Manager
Legislative Reference Bureau
608 266-2263

From: Knutson, Tryg
Sent: Thursday, December 10, 2015 10:31 AM
To: Kreye, Joseph <Joseph.Kreye@legis.wisconsin.gov>
Subject: FW: Draft review: LRB -3846/P1

Hi –

We're ready to introduce this as written.

Thanks.

Tryg Knutson
Sen. Erpenbach's Office

From: LRB.Legal

Sent: Thursday, November 12, 2015 10:32 AM

To: Sen.Erpenbach <Sen.Erpenbach@legis.wisconsin.gov>

Subject: Draft review: LRB -3846/P1

Following is the PDF version of draft LRB -3846/P1.



State of Wisconsin
2015 - 2016 LEGISLATURE

LRB-3846/1
JK&EVM:amn

SA ✓

2015 BILL

Enrolley
1-15

and adjusting the rate by the
annual average change in the
consumer price index

Regen ✓

1 AN ACT to amend 25.40 (1) (b), 78.01 (1), 78.12 (4) (a) 4. and 78.12 (4) (b) 2.; and
2 to create 78.018 and 78.019 of the statutes; relating to: increasing the motor
3 vehicle fuel tax rate to pay debt service on transportation bonding.

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This bill increases the motor vehicle fuel tax rate by five cents per gallon and uses the additional tax revenue from that increase to make payments on the debt service on contingent funding of major highway and rehabilitation projects.

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

INSERT
A

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7 s. 73.03 (28) and except as provided under s. 78.019.

8 SECTION 2. 78.01 (1) of the statutes is amended to read:

BILL**SECTION 2**

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2 determined under ss. 78.015 ~~and~~, 78.017, and 78.018 is imposed on all motor vehicle
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4 export to this state except as otherwise provided in this chapter. The motor vehicle
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24 **SECTION 6.** 78.12 (4) (b) 2. of the statutes is amended to read:

Current
2-13

BILL

1 78.12 (4) (b) 2. Multiply the number of gallons under subd. 1. by the rate
2 published under s. 78.015 as increased under ~~s.~~ ss. 78.017 and 78.018.

3

(END)

2015-2016 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-3846/2ins
JK&EVM:amn

SA ✓
xref ✓

Insert A

mr JT

The bill also requires the Department of Revenue to annually adjust the rate to reflect changes in the consumer price index.

Insert 2 - 13

1 **SECTION 1.** 78.015 (1) of the statutes is amended to read:

2 ~~78.015 (1)~~ Before April 1 of each year, beginning in 2016, the department shall
3 recompute and publish the rate for the tax imposed under s. 78.01 (1). The new rate
4 per gallon shall be calculated by multiplying the rate in effect at the time of the
5 calculation by the amount obtained under sub. (2). ~~After the calculation of the rate~~
6 ~~that takes effect on April 1, 2006, the department shall make no further calculation~~
7 ~~under this subsection and sub. (2).~~

History: 1983 a. 27; 1991 a. 39; 1993 a. 16, 437; 1997 a. 27; 2005 a. 85.