

**WORKING DRAFT**

HOUSE BILL NO. \_\_\_\_\_

Fuel tax-1.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; increasing the  
2 fuel tax as specified; providing for distribution including  
3 reallocation of the federal mineral royalties as specified;  
4 amending related provisions; and providing for an effective  
5 date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9 **Section 1.** W.S. 9-4-601(a)(ii) and (iii),  
10 39-17-104(a)(intro) and by creating a new paragraph (iv),  
11 39-17-105(a) and (c), 39-17-204(a)(intro) and by creating a  
12 new paragraph (iii) and 39-17-205(b) through (d) are  
13 amended to read:

14

15 **9-4-601. Distribution and use; funds, accounts,**  
16 **cities and towns benefited; exception for bonus payments.**

17

18 (a) All monies received by the state of Wyoming from  
19 the secretary of the treasury of the United States under  
20 the provisions of the act of congress of February 25, 1920  
21 (41 Stat. 437, 450; 30 U.S.C. §§ 181, 191), as amended, or  
22 from lessees or authorized mine operators and all monies

1 received by the state from its sale of production from  
 2 federal mineral leases subject to the act of congress of  
 3 February 25, 1920 (41 Stat. 437, 450; 30 U.S.C. §§ 181,  
 4 191) as amended, except as provided by subsection (b) of  
 5 this section, shall be deposited in the trust and agency  
 6 fund and the first two hundred million dollars  
 7 (\$200,000,000.00) of revenues received in any fiscal year  
 8 shall be distributed by the state treasurer as provided in  
 9 this subsection. One percent (1%) of these revenues shall  
 10 be credited to the general fund as an administrative fee,  
 11 and the remainder shall be distributed as follows:

12  
 13 (ii) Forty-four and eight-tenths percent (44.8%)  
 14 to the public school foundation program account subject to  
 15 allocations under W.S. 9-4-605+ except the following  
 16 percentages shall apply on the dates specified:

17  
 18 (A) Effective July 1, 2004 through June 30,  
 19 2005, forty-six and eight-tenths percent (46.8%);

20  
 21 (B) Effective July 1, 2005 through June 30,  
 22 2006, forty-eight and eight-tenths percent (48.8%);

23  
 24 (C) Effective July 1, 2006 and thereafter,  
 25 fifty and eight-tenths percent (50.8%).

26  
 27 (iii) Except as provided by W.S. 9-4-605(a),  
 28 twenty-six and one-quarter percent (26 1/4%) to the highway  
 29 fund subject to allocations under W.S. 9-4-606 and 9-4-607+  
 30 except the following percentages shall apply on the dates  
 31 specified:

32  
 33 (A) Effective July 1, 2004 through June 30,  
 34 2005, twenty-four and one-quarter percent (24 1/4%);

35  
 36 (B) Effective July 1, 2005 through June 30,  
 37 2006, twenty-two and one-quarter percent (22 1/4%);

38  
 39 (C) Effective July 1, 2006 and thereafter,  
 40 twenty and one-quarter percent (20 1/4%).

41  
 42 **39-17-104. Taxation rate.**

43  
 44 (a) Except as otherwise provided by this section and  
 45 W.S. 39-17-105, the total tax on gasoline shall be ~~fourteen~~  
 46 ~~cents (\$ .14) per gallon. The rate shall be~~ imposed as  
 47 follows:

1  
2 (i) There is levied and shall be collected a  
3 license tax of thirteen cents (\$.13) per gallon on all  
4 gasoline used, sold or distributed for sale or use in this  
5 state except for those fuels exempted under W.S. 39-17-105;

6  
7 (ii) Notwithstanding paragraph (i) of this  
8 subsection, gasoline sold for use in aircraft shall be  
9 taxed at four cents (\$.04) per gallon except for those  
10 fuels exempted under W.S. 39-17-105;

11  
12 (iii) In addition to the tax collected pursuant  
13 to paragraphs (i) and (ii) of this subsection, there is  
14 levied and shall be collected a license tax of one cent  
15 (\$.01) per gallon on all gasoline used, sold or distributed  
16 for sale or use in this state except for those fuels  
17 exempted under W.S. 39-17-105(a).

18  
19 (iv) In addition to the tax collected pursuant  
20 to paragraphs (i) through (iii) of this subsection, there  
21 is levied and shall be collected a license tax per gallon  
22 on all gasoline used, sold or distributed for sale or use  
23 in this state except for those fuels exempted under W.S.  
24 39-17-105 as follows:

25  
26 (A) Effective July 1, 2004 and thereafter,  
27 two cents (\$.02);

28  
29 (B) Effective July 1, 2005 and thereafter,  
30 two cents (\$.02) in addition to the tax imposed by  
31 subparagraph (A) of this paragraph;

32  
33 (C) Effective July 1, 2006 and thereafter,  
34 two cents (\$.02) in addition to the taxes imposed by  
35 subparagraphs (A) and (B) of this paragraph.

36  
37 **39-17-105. Exemptions.**

38  
39 (a) Gasoline exported or sold at a Wyoming terminal  
40 rack and directly exported outside the state, other than in  
41 the fuel supply tank of a motor vehicle, by a person  
42 licensed as an exporter in this state is exempt from the  
43 license tax imposed under W.S. 39-17-104(a)(i) through  
44 ~~(iii)~~ (iv). The exempt sales shall be reported on or before  
45 the last business day of the month on forms provided by the  
46 department. The sales reports are invalid if not submitted  
47 to the department within one (1) year following date of

1 sale. Gasoline directly exported, other than in the fuel  
2 supply tank of a motor vehicle, by a Wyoming licensed  
3 supplier, is exempt from the additional license tax imposed  
4 under W.S. 39-17-104(a)(iii). Exchanges and sales of  
5 gasoline between suppliers are exempt from the license tax  
6 under this section.

7  
8 (b) Repealed by Laws 1998, ch. 51, § 3.

9  
10 (c) There is granted a credit to the purchaser and  
11 user of gasoline used for agricultural purposes and  
12 purchased from a Wyoming licensed distributor or importer  
13 an amount equal to seventy percent (70%) of the gasoline  
14 license taxes imposed by W.S. 39-17-104(a)(i), ~~and~~ (ii) and  
15 (iv) on bulk gasoline purchased for agricultural purposes.  
16 A Wyoming licensed distributor or importer shall collect  
17 the gasoline license tax on bulk gasoline sales less the  
18 amount of the credit granted under this section at the time  
19 of invoice on the bulk gasoline.

20  
21 (d) Exchanges or sales of gasoline between suppliers  
22 are exempt from the license tax under this article.  
23 Gasoline directly exported, other than in the fuel supply  
24 tank of a motor vehicle, by a supplier is exempt from the  
25 license tax under this article.

26  
27  
28 **39-17-204. Taxation rate.**

29  
30 (a) Except as otherwise provided by this section and  
31 W.S. 39-17-205, the total tax on diesel fuels shall be  
32 ~~fourteen cents (\$.14) per gallon. The rate shall be~~  
33 imposed as follows:

34  
35 (i) There is levied and shall be collected a  
36 license tax of thirteen cents (\$.13) per gallon on all  
37 diesel fuels used, sold or distributed for sale or use in  
38 this state;

39  
40 (ii) In addition to the tax collected pursuant  
41 to paragraph (i) of this subsection, there is levied and  
42 shall be collected a license tax of one cent (\$.01) per  
43 gallon on all diesel fuels used, sold or distributed for  
44 sale or use in this state except for those fuels exempted  
45 in W.S. 39-17-205(b) and (e);  
46

1           (iii) In addition to the tax collected pursuant  
2 to paragraphs (i) and (ii) of this subsection, there is  
3 levied and shall be collected a license tax per gallon on  
4 all diesel fuels used, sold or distributed for sale or use  
5 in this state except for those fuels exempted under W.S.  
6 39-17-205(b) through (d) as follows:

7  
8           (A) Effective July 1, 2004 and thereafter,  
9 two cents (\$.02);

10  
11           (B) Effective July 1, 2005 and thereafter,  
12 two cents (\$.02) in addition to the tax imposed by  
13 subparagraph (A) of this paragraph;

14  
15           (C) Effective July 1, 2006 and thereafter,  
16 two cents (\$.02) in addition to the taxes imposed by  
17 subparagraphs (A) and (B) of this paragraph.

18  
19           **39-17-205. Exemptions.**

20  
21           (a) Repealed by Laws 1998, ch. 51, § 3.

22  
23           (b) Diesel fuel sold at a Wyoming terminal rack and  
24 directly exported, other than in the fuel supply tank of a  
25 motor vehicle, by a person licensed as an exporter in this  
26 state is exempt from the license tax imposed under W.S.  
27 39-17-204(a) (i) ~~and (ii)~~ through (iii). The exempt sales  
28 shall be reported on or before the last business day of the  
29 month on forms provided by the department. The sales  
30 reports are invalid if not submitted to the department  
31 within one (1) year following the date of sale.

32  
33           (c) Exchanges or sales of diesel fuel between  
34 suppliers are exempt from the license tax under W.S.  
35 39-17-204(a) (i) and (iii). Diesel fuel directly exported,  
36 other than in the fuel supply tank of a motor vehicle, by a  
37 supplier is exempt from the license tax under W.S.  
38 39-17-204(a) (i) and (iii).

39  
40           (d) Dyed diesel fuel as defined in W.S.  
41 39-17-201(a) (ix) is exempt from the license tax under W.S.  
42 39-17-204(a) (i) and (iii).

43  
44           (e) Diesel fuel directly exported, other than in the  
45 fuel supply tank of a motor vehicle, by a Wyoming licensed  
46 supplier is exempt from the additional license tax imposed  
47 under W.S. 39-17-204(a) (ii).

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**Section 2.** This act is effective July 1, 2004.

(END)