

BILL ANALYSIS

Senate Research Center
79R5330 CBH-D

S.B. 557
By: Brimer
Finance
3/18/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Collectors of taxes on gasoline and diesel are currently granted a two percent administrative allowance for the timely remittance of the funds they collect. This rate has not been adjusted since 1971. Since then, the tax rate has quadrupled and consumption is at the highest level in history. The comptroller receives one percent of the revenue collected by this program.

As proposed, S.B. 557 lowers the amounts of the revenue allotted to administrative allowances for suppliers, distributors, and importers. This bill also changes the date of remittance from the 25th day of the month following the collection to the 20th day of the month following the collection, thereby getting the revenue into the state coffers sooner to begin drawing interest.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 162.113(e), Tax Code, to entitle a licensed distributor or licensed importer who makes timely payments of the gasoline tax imposed under this subchapter to retain an amount equal to .375, rather than 1.75, percent of the total taxes to be paid to the supplier or permissive supplier to cover administrative expenses.

SECTION 2. Amends Sections 162.114(a) and (b), Tax Code, as follows:

- (a) Requires each person who is liable for the tax imposed by this subchapter, a terminal operator, and a licensed distributor to file a return on or before the 20th, rather than the 25th, day of the month following the end of the calendar quarter except as provided by Subsection (b).
- (b) Makes a conforming change.

SECTION 3. Amends Section 162.116(b), Tax Code, to authorize a supplier or permissive supplier that timely pays the tax to this state to deduct from the amount of tax due a collection allowance equal to one-half of one, rather than two, percent of the amount of tax payable to this state. Makes a conforming change.

SECTION 4. Amends Section 162.119(b), Tax Code, authorize an importer of gasoline that timely files a return and payment to deduct from the amount of tax payable with the return a collection allowance equal to one-half of one, rather than two, percent of the amount payable to this state.

SECTION 5. Amends Section 162.127(f), Tax Code, to make a conforming change.

SECTION 6. Amends Section 162.214(e), Tax Code, to make a conforming change.

SECTION 7. Amends Sections 162.215(a) and (b), Tax Code, to make conforming changes.

SECTION 8. Amends Section 162.217(b), Tax Code, to make a conforming change.

SECTION 9. Amends Section 162.220(b), Tax Code, to make a conforming change.

SECTION 10. Amends Section 162.229(f), Tax Code, to make a conforming change.

SECTION 11. Amends Section 162.501(a), Tax Code, to require one-half of one percent of the gross amount of the taxes collected under this chapter to be deposited in the state treasury in a special fund, subject to the use of the comptroller in the administration and enforcement of this chapter, before any other allocation of said taxes is made.

SECTION 12. Amends Subchapter F, Chapter 162, Tax Code, by adding Section 162.5015, as follows:

Sec. 162.5015. ALLOCATION AND USE OF CERTAIN REVENUE. (a) Requires the comptroller, on or before the fifth workday of each month, to determine certain differences in revenue amounts.

(b) Requires the comptroller, after making deductions for refund purposes, to allocate and deposit the revenue in certain specified funds.

(c) Authorizes revenue deposited to the state highway fund under Subsection (b)(2) to be appropriated only to the Texas Department of Transportation (department). Authorizes the department to use the revenue only in the three department districts that have the highest population for projects intended to mitigate traffic congestion in those districts.

SECTION 13. Amends Section 162.503, Tax Code, to make a conforming change.

SECTION 14. Amends Section 162.504, Tax Code, to make a conforming change.

SECTION 15. Makes application of this Act prospective.

SECTION 16. Effective date: September 1, 2005.