

BILL ANALYSIS

Senate Research Center

S.B. 755
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Finance
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, agencies of the federal government, entities providing transportation for public education, and commercial transportation providers are granted exemption from the payment of motor fuel taxes. However, transit authorities, while exempt from federal fuel taxes and despite the authorities' role in reducing traffic congestion, pay 20 cents per gallon in state motor fuel taxes.

As proposed, S.B. 755 exempts transit authorities created under state law from payment of state motor fuel taxes.

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 162.104(a), Tax Code, by exempting gasoline sold to a transit authority created under state law for the authority's exclusive use from the tax imposed under Subchapter B (Gasoline Tax), Chapter 162, Tax Code.

SECTION 2. Amends Section 162.204(a), Tax Code, by exempting diesel fuel sold to a transit authority created under state law for the authority's exclusive use from the tax imposed under Subchapter C (Diesel Fuel Tax), Chapter 162, Tax Code

SECTION 3. Effective date: September 1, 2007.