

2021 Regular Session

SENATE BILL NO. 40

BY SENATOR WARD

TAX/SALES. Constitutional amendment to authorize a parish governing authority to levy sales tax on motor fuels with the approval of the parish electors. (2/3 - CA13s1(A))

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A JOINT RESOLUTION

Proposing to amend Article VI, Section 29(A) and Article VII, Sections 4(C) and 27(A) of the Constitution of Louisiana and to add Article VI, Section 29.1 of the Constitution of Louisiana; to authorize a parish governing authority to levy and collect a sales tax on motor fuels; to require approval of the electors; to provide that the avails of the tax shall be used for the construction and maintenance of highways and bridges located in the parish where the tax is collected; to provide for submission of the proposed amendment to the electors; and to provide for related matters.

Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members elected to each house concurring, that there shall be submitted to the electors of the state of Louisiana, for their approval or rejection in the manner provided by law, a proposal to amend Article VI, Section 29(A) and to add Article VI, Section 29.1 of the Constitution of Louisiana, to read as follows:

§29. Local Governmental Subdivisions and School Boards; Sales Tax

Section 29.(A) Sales Tax Authorized. Except as otherwise authorized in a home rule charter as provided for in Section 4 of this Article, the governing authority of any local governmental subdivision or school board may levy and collect a tax

1 upon the sale at retail, the use, the lease or rental, the consumption, and the storage
 2 for use or consumption, of tangible personal property and on sales of services as
 3 defined by law, if approved by a majority of the electors voting thereon in an election
 4 held for that purpose. The rate thereof, when combined with the rate of all other sales
 5 and use taxes, exclusive of state sales and use taxes and taxes levied pursuant to
 6 the authority granted in Section 29.1 of Article VI of this constitution, levied and
 7 collected within any local governmental subdivision, shall not exceed three percent.

8 * * *

9 **§29.1. Parish sales tax on gasoline, diesel fuel, and special fuels**

10 **Section 29.1. Except as otherwise authorized in a home rule charter as**
 11 **provided for in Section 4 of this Article, a parish governing authority may levy**
 12 **and collect a tax upon the retail sale of gasoline, diesel fuel, and special fuels**
 13 **that are subject to excise tax under Chapter 7 of Subtitle II of Title 47 of the**
 14 **Louisiana Revised Statutes of 1950, if approved by a majority of the electors**
 15 **voting thereon in an election held for that purpose. The avails of this tax shall**
 16 **not be required to be deposited in the Transportation Trust Fund and shall be**
 17 **used solely to supplement state and federal funding for the construction and**
 18 **maintenance of highways and bridges located in the parish in which the tax was**
 19 **collected, as may be further provided by law.**

20 Section 2. Be it resolved by the Legislature of Louisiana, two-thirds of the members
 21 elected to each house concurring, that there shall be submitted to the electors of the state of
 22 Louisiana, for their approval or rejection in the manner provided by law, a proposal to
 23 amend Article VII, Sections 4(C) and 27(A) of the Constitution of Louisiana, to read as
 24 follows:

25 §4. Income Tax; Severance Tax; Political Subdivisions

26 Section 4. * * *

27 (C) Political Subdivisions; Prohibitions. A political subdivision of the state
 28 shall not levy a severance tax, income tax, **or an** inheritance tax, **or and no political**
 29 **subdivision of the state other than a parish governing authority shall levy a tax**

1 on motor fuel.

2 * * *

3 §27. Transportation Trust Fund

4 Section 27.(A) Creation of fund. Effective January 1, 1990, there shall be
 5 established in the state treasury as a special permanent trust fund the Transportation
 6 Trust Fund ("the trust fund") in which shall be deposited the "excess revenues" as
 7 defined herein which are a portion of the avails received in each year from all taxes
 8 levied on gasoline and motor fuels and on special fuels (said avails being referred to
 9 as the "revenues") as provided herein. After satisfying pledges respecting that portion
 10 of the revenues attributable to the tax rates in effect at the time of such pledges for
 11 the payment of obligations for bonds or other evidences of indebtedness on the
 12 effective date of this Section, the treasurer shall allocate such portion of the revenues
 13 received in each year as necessary to pay all principal, interest, premium, if any, and
 14 other obligations incident to the issuance, security, and payment in respect of bonds
 15 as authorized in Paragraph (C) hereof. Thereafter, the portion of the revenues
 16 remaining shall be deposited in the Bond Security and Redemption Fund in the state
 17 treasury. After (1) the payment of any obligations for bonds or other evidences of
 18 indebtedness in existence on the effective date of this Section which are secured by
 19 revenues; (2) payments in respect of bonds authorized in Paragraph (C) hereof; and
 20 (3) credit to the Bond Security and Redemption Fund, the treasurer shall deposit in
 21 and credit to the trust fund all of the revenues remaining (the "excess revenues")
 22 from the avails of all taxes levied on gasoline and motor fuels and on special fuels,
 23 as follows: for the fiscal year beginning July 1, 1989, the avails of twelve cents per
 24 gallon of said taxes received on and after January 1, 1990; for the fiscal year
 25 beginning on July 1, 1990, the avails of fourteen cents per gallon of said taxes; for
 26 the fiscal year beginning on July 1, 1991, and thereafter, the avails of all taxes levied
 27 on gasoline and motor fuels and on special fuels **other than the avails of any tax**
 28 **levied by a parish governing authority pursuant to Section 29.1 of Article VI of**
 29 **this constitution. Taxes levied pursuant to Section 29.1 of Article VI of this**

