The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

DIGEST

SB 40 Original 2021 Regular Session Ward

Present constitution prohibits the levy by a political subdivision of a severance tax, income tax, inheritance tax, or a tax on motor fuels.

Proposed constitutional amendment authorizes a parish governing authority, subject to voter approval, to levy a sales tax on motor fuels.

Present constitution authorizes parish and municipal governing authorities and school boards to levy and collect a tax upon the sale at retail, the use, the lease or rental, the consumption, and the storage for use or consumption, of tangible personal property and on sales of services as defined by law, if approved by a majority of the electors voting in an election held for that purpose. The total of these taxes levied and collected within any parish or municipality is limited to 3%.

Proposed constitutional amendment retains present constitution and adds an exception for a tax levied by a parish governing authority on the sale of motor fuels pursuant to proposed constitutional amendment from the 3% limit on sales taxes in a parish.

Present constitution establishes the Transportation Trust Fund as a special treasury fund and requires that all state taxes levied on gasoline and motor fuels be deposited annually into the fund. The current state excise taxes on gasoline and motor fuels total 20 cents per gallon. Monies in the fund are used to provide for construction and maintenance of roads and bridges of the state and federal highway systems, the Statewide Flood-Control Program, ports, airports, transit, and the Parish Transportation Fund. Further, present constitution prohibits the levy of any state or local sales tax on gasoline and motor fuels.

Proposed constitutional amendment retains these provisions but adds an exception to that prohibition for a tax levied by a parish governing authority on the sale of motor fuels pursuant to the proposed constitutional amendment.

Provides for submission of the proposed amendment to the voters at the statewide election to be held November 8, 2022.

(Amends Const. Art. VI, §29(A) and Art. VII, §4(C) and 27(A); adds Const. Art. VI, §29.1)