

**DRAFT ONLY
NOT APPROVED FOR
INTRODUCTION**

HOUSE BILL NO. _____

Allocation of sales tax paid on diesel to highways.

Sponsored by: Joint Transportation, Highways and Military
Affairs Interim Committee

A BILL

for

1 AN ACT relating to sales tax; allocating sales tax revenues
2 from diesel fuel to the highway fund; specifying use of the
3 revenues; and providing for an effective date.

4

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

6

7 **Section 1.** W.S. 39-15-111 by creating new subsection
8 (p) is amended to read:

9

10 **39-15-111. Distribution.**

11

12 (p) Vendors shall annually provide the department
13 information indicating the amount of tax under this article

1 collected from sales of diesel fuel and the department
2 shall verify the amount. The state treasurer shall
3 annually deposit that portion of the verified amount which
4 would otherwise be credited to the state general fund under
5 paragraph (b)(i) of this section into the highway fund to
6 be used for the construction, improvement or maintenance of
7 Wyoming's highways.

8
9 **Section 2.** This act is effective July 1, 2012.

10
11 *****STAFF COMMENT*****

12 The language proposed above will require all
13 sales taxes paid on diesel fuel to be applied to
14 Wyoming highways. As the Committee is aware,
15 because most diesel fuel is subject to the diesel
16 fuel tax, sales taxes generally are not paid on
17 the purchase of diesel fuel. However, various
18 off-road uses of diesel fuel are not subject to
19 the diesel tax and are therefore subject to sales
20 tax.

21
22 The new subsection proposed above is loosely
23 modeled after a similar dedication of sales tax
24 revenues in the same statutory section. W.S. 39-
25 15-111(e) dedicates 10% of sales tax revenues
26 from propane, butane, liquefied gas and
27 compressed natural gas to the highway fund.
28

29 (END)