

FIRST REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

**SENATE BILLS NOS. 459, 305,
396 & 450**

91ST GENERAL ASSEMBLY

Reported from the Committee on Transportation, March 8, 2001, with recommendation that the Senate Committee Substitute do pass.

TERRY L. SPIELER, Secretary.

1614S.07C

AN ACT

To repeal sections 144.805 and 226.200, RSMo 2000, relating to transportation, and to enact in lieu thereof three new sections relating to the same subject.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 144.805 and 226.200, RSMo 2000, are repealed and three new sections enacted in lieu thereof, to be known as sections 144.805, 226.200 and 226.227, to read as follows:

144.805. 1. In addition to the exemptions granted pursuant to the provisions of section 144.030, there shall also be specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600 to 144.748, and section 238.235, RSMo, and the provisions of any local sales tax law, as defined in section 32.085, RSMo, and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525, sections 144.600 to 144.748, and section 238.235, RSMo, and the provisions of any local sales tax law, as defined in section 32.085, RSMo, all sales of aviation jet fuel in a given calendar year to common carriers engaged in the interstate air transportation of passengers and cargo, and the storage, use and consumption of such aviation jet fuel by such common carriers, if such common carrier has first paid to the state of Missouri, in accordance with the provisions of this chapter, state sales and use taxes pursuant to the foregoing provisions and applicable to the purchase, storage, use or consumption of such aviation jet fuel in a maximum and aggregate amount of one million five hundred thousand dollars of state sales and use taxes in such calendar year.

2. To qualify for the exemption prescribed in subsection 1 of this section, the common carrier shall furnish to the seller a certificate in writing to the effect that an exemption pursuant to this section is applicable to the aviation jet fuel so purchased, stored, used and consumed. The

director of revenue shall permit any such common carrier to enter into a direct-pay agreement with the department of revenue, pursuant to which such common carrier may pay directly to the department of revenue any applicable sales and use taxes on such aviation jet fuel up to the maximum aggregate amount of one million five hundred thousand dollars in each calendar year. The director of revenue shall adopt appropriate rules and regulations to implement the provisions of this section, and to permit appropriate claims for refunds of any excess sales and use taxes collected in calendar year 1993 or any subsequent year with respect to any such common carrier and aviation jet fuel.

3. The provisions of this section shall apply to all purchases and deliveries of aviation jet fuel from and after May 10, 1993.

4. Effective September 1, 1998, all sales and use tax revenues upon aviation jet fuel received pursuant to this chapter, less the amounts specifically designated pursuant to the constitution or pursuant to section 144.701, for other purposes, shall be deposited to the credit of the aviation trust fund established pursuant to section 305.230, RSMo; provided however, the amount of such state sales and use tax revenues deposited to the credit of such aviation trust fund shall not exceed five million dollars in each calendar year.

[5. The provisions of this section and section 144.807 shall expire on December 31, 2003.]

226.200. 1. There is hereby created a "State Highways and Transportation Department Fund" into which shall be paid or transferred all state revenue derived from highway users as an incident to their use or right to use the highways of the state, including all state license fees and taxes upon motor vehicles, trailers, and motor vehicle fuels, and upon, with respect to, or on the privilege of the manufacture, receipt, storage, distribution, sale or use thereof (excepting the sales tax on motor vehicles and trailers, and all property taxes), and all other revenue received or held for expenditure by or under the department of transportation or the state highways and transportation commission, except:

- (1) Money arising from the sale of bonds;
- (2) Money received from the United States government; or
- (3) Money received for some particular use or uses other than for the payment of principal and interest on outstanding state road bonds.

2. Subject to the limitations of subsection 3 of this section, from said fund shall be paid or credited the cost:

- (1) Of collection of all said state revenue derived from highway users as an incident to their use or right to use the highways of the state;
- (2) Of maintaining the state highways and transportation commission;
- (3) Of maintaining the state transportation department;
- (4) Of any workers' compensation for state transportation department employees;
- (5) Of the share of the transportation department in any retirement program for state

employees, only as may be provided by law; and

(6) Of administering and enforcing any state motor vehicle laws or traffic regulations.

3. [For all future fiscal years,] The total amount of appropriations from the state highways and transportation department fund for all state offices and departments, **except the Missouri highway patrol**, shall not exceed the total amount appropriated for such offices and departments from said fund for fiscal year 2001. **Beginning in fiscal year 2004, the total amount of appropriations from the state highways and transportation department fund for all state offices and departments, except the Missouri highway patrol shall be reduced by one-third. For every subsequent fiscal year thereafter, the total amount of appropriations from said fund for such offices and departments shall be reduced by the same dollar amount as the previous year until all state offices and departments do not receive any appropriations from the fund for fiscal year 2006 or any subsequent fiscal year. The amount of appropriations no longer transferred to other state agencies shall be used by the commission to fund projects established within the 1992 plan developed by the transportation department.**

4. The provisions of subsection 3 of this section shall not apply to appropriations from the state highways and transportation department fund to the highways and transportation commission and the state transportation department or to appropriations to the office of administration for department of transportation employee fringe benefits and OASDHI payments, or to appropriations to the department of revenue for motor vehicle fuel tax refunds [under] **pursuant to** chapter 142, RSMo, or to appropriations to the department of revenue for refunds or overpayments or erroneous payments from the state highways and transportation department fund.

5. All interest earned upon the state highways and transportation department fund shall be deposited in and to the credit of such fund.

6. Any balance remaining in said fund after payment of said costs shall be transferred to the state road fund.

7. Notwithstanding the provisions of subsection 2 of this section to the contrary, any funds raised as a result of increased taxation pursuant to sections 142.025 and 142.372, RSMo, after April 1, 1992, shall not be used for administrative purposes or administrative expenses of the transportation department.

226.227. Beginning July 1, 2003, one-half of the proceeds of the state sales tax on all motor vehicles, trailers, motorcycles and motortricycles, which is not distributed pursuant to subsection 2 of section 30(b) of article IV of the constitution of Missouri, shall be credited to the state road fund, as provided in section 226.220, from the undesignated proceeds of such sales tax. Such proceeds shall be used by the commission to fund projects established within the 1992 plan developed by the transportation

department.

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