

# MINNESOTA • REVENUE

## GASOLINE TAX Report to Legislature

March 19, 2004

	Yes	No
Separate Official Fiscal Note Requested		
<b>Fiscal Impact</b>		
DOR Administrative Costs/Savings		

Department of Revenue  
Analysis of H.F. 2678 (Hackbarth), 1<sup>st</sup> Engrossment, Gasoline Tax Provision Only

	<u>Revenue Gain or (Loss)</u>			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
		(000's)		
General Fund	\$0	\$0	\$0	\$0

Effective August 1, 2004

### EXPLANATION OF THE BILL

**Current Law:** M.S. 296A.18, states that 0.164 of one percent of non-aviation gasoline is used in off-road vehicles, 0.15 of one percent of non-aviation gasoline is used in all-terrain vehicles, and 0.046 of one percent of non-aviation gasoline is used in off-highway motorcycles.

These amounts are distributed as follows: 0.164 of one percent of the unrefunded gasoline tax is paid into the off-road vehicle account (M.S. 84.803, Subd. 1), 0.15 of one percent of the unrefunded gasoline tax is paid into the all-terrain vehicle account (M.S. 84.927, Subd. 1), and 0.046 of one percent of the unrefunded gasoline tax is paid into the off-highway motorcycle account (M.S. 84.794). These three accounts are in the natural resources fund.

**Proposed Law:** The bill proposes to appropriate existing and undetermined monies from the three accounts in the natural resources fund to an off-highway vehicle safety and conservation grant program.

The bill proposes to have the Commissioners of Natural Resources, Revenue, and Transportation jointly determine the amount of unrefunded gasoline attributable to all-terrain vehicle use. They would report their findings to the legislature by March 1, 2005, with a proposed revision to the existing percentage.

### REVENUE ANALYSIS DETAIL

- The bill proposes a study to be completed and, as such, would have no impact on the general fund or any other state fund.

Source: Minnesota Department of Revenue  
Tax Research Division  
[http://www.taxes.state.mn.us/taxes/legal\\_policy](http://www.taxes.state.mn.us/taxes/legal_policy)