STATEMENT OF PURPOSE

RS24764

This is a trailer appropriation to House Bill 343.

House Bill 312 raised the tax on motor fuel from 25 cents per gallon to 32 cents per gallon during the 2015 session. Motor fuel, by definition, includes special fuels, which includes diesel fuel. Inadvertently, the enacted version of H312 did not amend the distribution of special fuels in the same manner as the rest of the fuel increase (60% ITD and 40% locals). H343 makes the fund distribution a 60/40 split and is retroactive to July 1, 2015. As per current law, the Idaho State Police has continued to receive 5% of the special fuels tax collection on the additional 7 cents, but have been holding those funds in anticipation of H343 being a fix to the distribution formula.

FISCAL NOTE

The estimated amount of the transfer from Idaho State Police to the locals will be approximately \$580,000 should the trailer appropriation be signed by the Governor prior to March 31, 2016. The amount transferred from ITD to the locals will be approximately \$1,200.



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