

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 943

Session of
1987

INTRODUCED BY TRELLO, BOYES, D. W. SNYDER, PISTELLA, FARGO,
COLAFELLA AND PETRONE, MARCH 18, 1987

AS REPORTED FROM COMMITTEE ON FINANCE, HOUSE OF REPRESENTATIVES,
AS AMENDED, DECEMBER 14, 1987

AN ACT

1 Amending Title 74 (Transportation) of the Pennsylvania
2 Consolidated Statutes, ~~placing a limitation on the amount of~~ <—
3 ~~tax on jet fuels to be paid by a taxpayer in a calendar year.~~
4 FURTHER PROVIDING FOR TAX ON JET FUELS. <—

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Section 6131 of Title 74 of the Pennsylvania
8 Consolidated Statutes is amended ~~by adding a subsection to read:~~ <—
9 § 6131. Tax on jet fuels.

10 * * * <—

11 ~~(b.1) Limitation. The maximum amount of tax imposed under~~
12 ~~this section which shall be due from and payable by any taxpayer~~
13 ~~on fuel used by that taxpayer during any calendar year shall be~~
14 ~~\$2,500,000. If a taxpayer takes advantage of the limitation of~~
15 ~~this subsection, the taxpayer shall be deemed a distributor~~
16 ~~under subsection (a) for sales of fuel that the taxpayer makes~~
17 ~~to other persons.~~

18 * * *

1 ~~Section 2. This act shall take effect immediately.~~

2 (A) IMPOSITION.--THERE IS HEREBY IMPOSED[, EFFECTIVE JULY 1, <—
3 1984,] A STATE TAX OF [1.1¢] 1.5¢ PER GALLON, OR FRACTIONAL PART
4 THEREOF, ON ALL FUELS USED OR SOLD AND DELIVERED BY DISTRIBUTORS
5 WITHIN THIS COMMONWEALTH FOR USE AS FUEL IN TURBINE-PROPELLER
6 JET, TURBOJET AND JET-DRIVEN AIRCRAFT AND AIRCRAFT ENGINES. [THE
7 TAX SHALL BE INCREASED BY 0.2¢ PER GALLON, OR FRACTIONAL PART
8 THEREOF, EFFECTIVE JANUARY 1, 1985, AND BY 0.2¢ PER GALLON, OR
9 FRACTIONAL PART THEREOF, EFFECTIVE JULY 1, 1985.] DISTRIBUTORS
10 SHALL BE LIABLE TO THE COMMONWEALTH FOR THE COLLECTION AND
11 PAYMENT OF THE TAX IMPOSED BY THIS SECTION. THE TAX SHALL BE
12 COLLECTED BY THE DISTRIBUTOR AND SHALL BE PAID TO THE
13 COMMONWEALTH ONLY ONCE WITH RESPECT TO ANY FUELS.

14 [(B) ANNUAL ADJUSTMENT.--BEGINNING ON JANUARY 1, 1986, AND
15 EACH JANUARY 1 THEREAFTER, THE TAX IMPOSED UNDER THIS SECTION
16 SHALL BE ADJUSTED ANNUALLY AND SHALL BE SET FOR THAT CALENDAR
17 YEAR. THE ADJUSTMENT SHALL BE BASED UPON THE PERCENTAGE CHANGE
18 OF THE PRODUCER PRICE INDEX FOR JET FUEL, AS DETERMINED BY THE
19 BUREAU OF LABOR STATISTICS FOR THE UNITED STATES DEPARTMENT OF
20 LABOR, FOR THE MOST RECENT 12-MONTH PERIOD AVAILABLE AS OF THE
21 IMMEDIATELY PRECEDING NOVEMBER 1. FOR EVERY 10% INCREASE OR
22 DECREASE IN THE PRODUCER PRICE INDEX, AS DETERMINED BY COMPARING
23 THE INDEX FOR THE FIRST MONTH OF THE 12-MONTH PERIOD WITH THE
24 INDEX FOR THE LAST MONTH OF THE PERIOD, THERE SHALL BE A 0.1¢
25 PER GALLON, OR FRACTIONAL PART THEREOF, INCREASE OR DECREASE IN
26 THE RATE OF TAX. THE RATE OF TAX SHALL BE DETERMINED BY THE
27 SECRETARY OF REVENUE, WHO SHALL CAUSE SUCH RATE TO BE PUBLISHED
28 AS A NOTICE PURSUANT TO 45 PA.C.S. § 725(A)(3) (RELATING TO
29 ADDITIONAL CONTENTS OF PENNSYLVANIA BULLETIN) IN THE
30 PENNSYLVANIA BULLETIN ON OR BEFORE DECEMBER 15 OF EACH YEAR. THE

1 TAX, AS ADJUSTED, SHALL NEVER EXCEED 2¢ PER GALLON, OR
2 FRACTIONAL PART THEREOF, NOR SHALL IT BE LESS THAN 1.5¢ PER
3 GALLON, OR FRACTIONAL PART THEREOF.]

4 (C) CONSTRUCTION OF SECTION.--THIS SECTION SHALL BE
5 CONSTRUED IN CONJUNCTION WITH THE ACT OF MAY 21, 1931 (P.L.149,
6 NO.105), KNOWN AS THE LIQUID FUELS TAX ACT, AS IF JET FUELS WERE
7 LIQUID FUELS AS DEFINED IN THAT ACT, AND ALL OF THE PROVISIONS
8 OF THAT ACT, EXCEPT FOR SECTION 4 THEREOF TO THE EXTENT IT
9 IMPOSES ANY TAX, SHALL APPLY TO THE COLLECTION, ADMINISTRATION
10 AND ENFORCEMENT OF THE TAX IMPOSED UNDER THIS SECTION. UPON THE
11 EFFECTIVE DATE OF THE TAX IMPOSED BY THIS SECTION UPON JET
12 FUELS, SUCH JET FUELS SHALL NOT BE SUBJECT TO THE TAX IMPOSED BY
13 THE ACT OF JANUARY 14, 1952 (1951 P.L.1965, NO.550), KNOWN AS
14 THE FUEL USE TAX ACT, EXCEPT THAT DEALER-USERS SHALL REMAIN
15 LIABLE TO REPORT AND PAY THE FUEL USE TAX ON ANY JET FUELS USED
16 THEREAFTER UPON WHICH THE TAX PROVIDED BY THIS SECTION HAS NOT
17 BEEN IMPOSED.

18 (D) DISPOSITION OF TAXES.--ALL MONEYS COLLECTED UNDER THIS
19 SECTION SHALL BE DEPOSITED BY THE STATE TREASURER IN THE
20 AVIATION RESTRICTED ACCOUNT.

21 SECTION 2. THIS ACT SHALL TAKE EFFECT JANUARY 1, 1988.