

# SENATE BILL No. 310

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-2.5-3.5-15; IC 6-2.5-10-1.

**Synopsis:** Motor fuel tax reductions. Reduces, between April 1, 2022, and December 31, 2022, the gasoline use tax rate by the percentage that would ordinarily be deposited into the state general fund. For the same period, reduces to zero the amount of gasoline use tax collections that are deposited into the state general fund, and increases proportionately the amount of gasoline use tax collections that are deposited into: (1) the motor vehicle highway account; (2) the local road and bridge matching grant fund; (3) the special transportation flexibility fund; and (4) the state highway fund.

**Effective:** April 1, 2022.

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January 11, 2022, read first time and referred to Committee on Appropriations.

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Second Regular Session of the 122nd General Assembly (2022)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2021 Regular Session of the General Assembly.

# SENATE BILL No. 310



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 6-2.5-3.5-15, AS ADDED BY P.L.227-2013,  
2 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 APRIL 1, 2022]: Sec. 15. **(a) For purposes of this section, "statewide  
4 average retail price" means the statewide average retail price per  
5 gallon of gasoline (based on the retail price per gallon of gasoline  
6 from the sixteenth day of the previous month to the fifteenth day  
7 of the current month), excluding the Indiana gasoline tax, federal  
8 gasoline tax, the Indiana gasoline use tax, and Indiana gross retail  
9 tax (if any). To determine the statewide average retail price, the  
10 department shall use a data service that updates the most recent  
11 retail price of gasoline. The gasoline use tax rate per gallon of  
12 gasoline determined by the department under this section shall be  
13 rounded to the nearest one-tenth of one cent (\$0.001).**

14 **(a) (b)** Before the twenty-second day of each month, the department  
15 shall determine and provide a notice of the gasoline use tax rate to be  
16 used during the following month and the source of the data used to  
17 determine the gasoline use tax rate and the statewide average retail



1 price per gallon of gasoline. The notice shall be published on the  
2 department's Internet web site in a departmental notice.

3 ~~(b)~~ **(c)** ~~In determining~~ The gasoline use tax rate **imposed** under this  
4 section ~~the department shall use:~~ **is the rate determined by the**  
5 **department as follows:**

6 **(1) For dates before April 1, 2022, and after December 31,**  
7 **2022, the rate is:**

8 ~~(1)~~ **(A)** the statewide average retail price per gallon of gasoline  
9 ~~(based on the retail price per gallon of gasoline from the~~  
10 ~~sixteenth day of the previous month to the fifteenth day of the~~  
11 ~~current month); excluding the Indiana gasoline tax, federal~~  
12 ~~gasoline tax, the Indiana gasoline use tax, and Indiana gross~~  
13 ~~retail tax (if any); multiplied by~~

14 ~~(2)~~ **(B)** seven percent (7%).

15 **(2) For dates after March 31, 2022, and before July 1, 2022,**  
16 **the rate is the rate determined in STEP THREE of the**  
17 **following formula:**

18 **STEP ONE: Determine the product of:**

19 **(A)** the statewide average retail price; multiplied by

20 **(B)** seven percent (7%).

21 **STEP TWO: Determine the result of:**

22 **(A)** one (1); minus

23 **(B)** thirty-two thousand one hundred fifty-five  
24 hundred-thousandths (0.32155).

25 **STEP THREE: Determine the product of:**

26 **(A)** the result determined in STEP ONE; multiplied by

27 **(B)** the result determined in STEP TWO.

28 **(3) For dates after June 30, 2022, and before January 1, 2023,**  
29 **the rate is the rate determined in STEP THREE of the**  
30 **following formula:**

31 **STEP ONE: Determine the product of:**

32 **(A)** the statewide average retail price; multiplied by

33 **(B)** seven percent (7%).

34 **STEP TWO: Determine the result of:**

35 **(A)** one (1); minus

36 **(B)** twenty-one thousand four hundred forty-five  
37 hundred-thousandths (0.21445).

38 **STEP THREE: Determine the product of:**

39 **(A)** the result determined in STEP ONE; multiplied by

40 **(B)** the result determined in STEP TWO.

41 To determine the statewide average retail price, the department shall  
42 use a data service that updates the most recent retail price of gasoline.



1 The gasoline use tax rate per gallon of gasoline determined by the  
 2 department under this section shall be rounded to the nearest one-tenth  
 3 of one cent (\$0.001):

4 SECTION 2. IC 6-2.5-10-1, AS AMENDED BY P.L.218-2017,  
 5 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 6 APRIL 1, 2022]: Sec. 1. (a) The department shall account for all state  
 7 gross retail and use taxes that it collects.

8 (b) Of all the state gross retail and use taxes that the department  
 9 collects, the department shall determine separately the parts that:

- 10 (1) the department collects under IC 6-2.5-3.5 (gasoline use tax);  
 11 and  
 12 (2) the department collects under this article, less the amount  
 13 described in subdivision (1).

14 (c) The department shall deposit the collections described in  
 15 subsection (b)(1) in the following manner:

- 16 (1) For state fiscal year 2017, the following:  
 17 (A) Fourteen and two hundred eighty-six thousandths percent  
 18 (14.286%) of the collections shall be deposited in the motor  
 19 vehicle highway account established under IC 8-14-1.  
 20 (B) Eighty-five and seven hundred fourteen thousandths  
 21 percent (85.714%) to the state general fund.  
 22 (2) For state fiscal year 2018, the following:  
 23 (A) Fourteen and two hundred eighty-six thousandths percent  
 24 (14.286%) of the collections shall be deposited in the motor  
 25 vehicle highway account established under IC 8-14-1.  
 26 (B) Fourteen and two hundred eighty-six thousandths percent  
 27 (14.286%) of the collections shall be deposited in the local  
 28 road and bridge matching grant fund established under  
 29 IC 8-23-30.  
 30 (C) Seventy-one and four hundred twenty-eight thousandths  
 31 percent (71.428%) to the state general fund.  
 32 (3) For state fiscal year 2019, the following:  
 33 (A) Fourteen and two hundred eighty-six thousandths percent  
 34 (14.286%) of the collections shall be deposited in the motor  
 35 vehicle highway account established under IC 8-14-1.  
 36 (B) Twenty-one and four hundred twenty-nine thousandths  
 37 percent (21.429%) of the collections shall be deposited in the  
 38 local road and bridge matching grant fund established under  
 39 IC 8-23-30.  
 40 (C) Sixty-four and two hundred eighty-five thousandths  
 41 percent (64.285%) shall be deposited in the state general fund.  
 42 (4) For state fiscal year 2020, **for state fiscal year 2021, for the**



1 **period beginning July 1, 2021, and ending March 31, 2022, for**  
2 **the period beginning January 1, 2023, and ending June 30,**  
3 **2023, and for each state fiscal year thereafter, the following:**

4 (A) Fourteen and two hundred eighty-six thousandths percent  
5 (14.286%) of the collections shall be deposited in the motor  
6 vehicle highway account established under IC 8-14-1.

7 (B) Twenty-one and four hundred twenty-nine thousandths  
8 percent (21.429%) of the collections shall be deposited in the  
9 local road and bridge matching grant fund established under  
10 IC 8-23-30.

11 (C) The following shall be deposited in the state general fund:

12 (i) For state fiscal year 2020, fifty-three and five hundred  
13 seventy-five thousandths percent (53.575%) shall be  
14 deposited in the state general fund.

15 (ii) For state fiscal year 2021, forty-two and eight hundred  
16 sixty-five thousandths percent (42.865%) shall be deposited  
17 in the state general fund.

18 (iii) For state fiscal year 2022, thirty-two and one hundred  
19 fifty-five thousandths percent (32.155%) shall be deposited  
20 in the state general fund.

21 (iv) For state fiscal year 2023, twenty-one and four hundred  
22 forty-five thousandths percent (21.445%) shall be deposited  
23 in the state general fund.

24 (v) For state fiscal year 2024, ten and seven hundred  
25 thirty-five thousandths percent (10.735%) shall be deposited  
26 in the state general fund.

27 (D) The following shall be deposited in the special  
28 transportation flexibility fund established by IC 4-12-16.5-2:

29 (i) For state fiscal year 2020, eight and five hundred  
30 sixty-eight thousandths percent (8.568%) of the collections  
31 shall be deposited in the special transportation flexibility  
32 fund established by IC 4-12-16.5-2.

33 (ii) For state fiscal year 2021, twelve and eight hundred  
34 fifty-two thousandths percent (12.852%) of the collections  
35 shall be deposited in the special transportation flexibility  
36 fund established by IC 4-12-16.5-2.

37 (iii) For state fiscal year 2022, twelve and eight hundred  
38 fifty-two thousandths percent (12.852%) of the collections  
39 shall be deposited in the special transportation flexibility  
40 fund established by IC 4-12-16.5-2.

41 (iv) For state fiscal year 2023, eight and five hundred  
42 sixty-eight thousandths percent (8.568%) of the collections



1 shall be deposited in the special transportation flexibility  
2 fund established by IC 4-12-16.5-2.

3 (E) The following shall be deposited in the state highway fund:

4 (i) For state fiscal year 2020, two and one hundred forty-two  
5 thousandths percent (2.142%) of the collections shall be  
6 deposited in the state highway fund.

7 (ii) For state fiscal year 2021, eight and five hundred  
8 sixty-eight thousandths percent (8.568%) of the collections  
9 shall be deposited in the state highway fund.

10 (iii) For state fiscal year 2022, nineteen and two hundred  
11 seventy-eight thousandths percent (19.278%) of the  
12 collections shall be deposited in the state highway fund.

13 (iv) For state fiscal year 2023, thirty-four and two hundred  
14 seventy-two thousandths percent (34.272%) of the  
15 collections shall be deposited in the state highway fund.

16 (v) For state fiscal year 2024, fifty-three and fifty-five  
17 hundredths percent (53.55%) of the collections shall be  
18 deposited in the state highway fund.

19 (vi) For state fiscal year 2025, and for each state fiscal year  
20 thereafter, sixty-four and two hundred eighty-five  
21 thousandths percent (64.285%) of the collections shall be  
22 deposited in the state highway fund.

23 **(5) For the period beginning April 1, 2022, and ending June**  
24 **30, 2022, the following:**

25 **(A) Twenty-one and fifty-seven thousandths percent**  
26 **(21.057%) of the collections shall be deposited in the motor**  
27 **vehicle highway account established under IC 8-14-1.**

28 **(B) Thirty-one and five hundred eighty-five thousandths**  
29 **percent (31.585%) of the collections shall be deposited in**  
30 **the local road and bridge matching grant fund established**  
31 **under IC 8-23-30.**

32 **(C) Zero percent (0%) of the collections shall be deposited**  
33 **in the state general fund.**

34 **(D) Eighteen and nine hundred forty-three thousandths**  
35 **percent (18.943%) of the collections shall be deposited in**  
36 **the special transportation flexibility fund established by**  
37 **IC 4-12-16.5-2.**

38 **(E) Twenty-eight and four hundred fifteen thousandths**  
39 **percent (28.415%) of the collections shall be deposited in**  
40 **the state highway fund.**

41 **(6) For the period beginning July 1, 2022, and ending**  
42 **December 31, 2022, the following:**



- 1 (A) Eighteen and one hundred eighty-six thousandths  
 2 percent (18.186%) of the collections shall be deposited in  
 3 the motor vehicle highway account established under  
 4 IC 8-14-1.
- 5 (B) Twenty-seven and two hundred seventy-nine  
 6 thousandths percent (27.279%) of the collections shall be  
 7 deposited in the local road and bridge matching grant fund  
 8 established under IC 8-23-30.
- 9 (C) Zero percent (0%) of the collections shall be deposited  
 10 in the state general fund.
- 11 (D) Ten and nine hundred seven thousandths percent  
 12 (10.907%) of the collections shall be deposited in the  
 13 special transportation flexibility fund established by  
 14 IC 4-12-16.5-2.
- 15 (E) Forty-three and six hundred twenty-eight thousandths  
 16 percent (43.628%) of the collections shall be deposited in  
 17 the state highway fund.
- 18 (d) The department shall deposit those collections described in  
 19 subsection (b)(2) in the following manner:
- 20 (1) Ninety-nine and eight hundred thirty-eight thousandths  
 21 percent (99.838%) of the collections shall be paid into the state  
 22 general fund.
- 23 (2) Thirty-one thousandths of one percent (0.031%) of the  
 24 collections shall be deposited into the industrial rail service fund  
 25 established under IC 8-3-1.7-2.
- 26 (3) One hundred thirty-one thousandths of one percent (0.131%)  
 27 of the collections shall be deposited into the commuter rail service  
 28 fund established under IC 8-3-1.5-20.5.
- 29 **SECTION 3. An emergency is declared for this act.**

