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DELAWARE STATE SENATE  
151st GENERAL ASSEMBLY

SENATE BILL NO. 254

AN ACT TO AMEND TITLE 30 OF THE DELAWARE CODE RELATING TO THE MOTOR FUEL TAX.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1           Section 1. Amend § 5110, Title 30 of the Delaware Code by making deletions as shown by strike through and  
2 insertions as shown by underline as follows:

3           § 5110. Levy and rate of tax; collection.

4           (a) ~~There is hereby levied and imposed for the state fiscal year commencing August 1, 1981, a tax of 11 cents per~~  
5 ~~gallon on all gasoline which is sold or used in the State. For each state fiscal year thereafter, the rate of such tax per gallon~~  
6 ~~shall equal the product of: Ten percent and the 12-month average of the "wholesale average price" per gallon of regular~~  
7 ~~unleaded gasoline at self-service stations in the Philadelphia, Pennsylvania area, as reported in the McGraw-Hill~~  
8 ~~Platt's/Lundberg Report (or successor report), such product to be rounded to the nearest whole cent. A calculation~~  
9 ~~producing a rate including a fraction less than one half of 1 cent shall be rounded down to the nearest whole cent, and a~~  
10 ~~calculation producing a rate including a fraction equal to or greater than one half cent shall be rounded up to the nearest~~  
11 ~~whole cent. The rate of taxation for the fiscal years beginning July 1, 1982, and thereafter shall be calculated on the basis of~~  
12 ~~such wholesale average prices reported for the consecutive 12-month period commencing March 1 and ending on the last~~  
13 ~~day of February of the fiscal year next prior to the fiscal year in which the tax will be imposed. The Secretary of~~  
14 ~~Transportation and the Secretary of Finance shall compute the applicable rate in March, or as soon as practicable thereafter,~~  
15 ~~for the next state fiscal year and shall notify the Governor and the General Assembly of their findings and calculations not~~  
16 ~~later than April 30 of that year. If the Platt's/Lundberg Report fails to contain reports on the wholesale average price per~~  
17 ~~gallon of regular unleaded gasoline at self-service stations in the Philadelphia, Pennsylvania area for any month or if the~~  
18 ~~report is discontinued and no successor report is published, the Secretary of Transportation and the Secretary of Finance~~  
19 ~~shall use available figures reflecting such prices reported in any other nationally recognized publication. Notwithstanding~~  
20 ~~the foregoing:~~

21           ~~(1) The tax rate per gallon of gasoline levied pursuant to this section shall not be less than an amount~~  
22           ~~equivalent to 11 cents per gallon;~~

23           (2) The tax rate for any fiscal year commencing July 1, 1982, and thereafter shall not be less than the rate for  
24           the prior state fiscal year nor more than 1 cent per gallon above the tax rate in effect for the prior state fiscal year; and

25           (3) The maximum aggregate tax rate shall not exceed an amount equivalent to 11 cents per gallon of gasoline.

26           (b) ~~The tax shall be collected by and paid to the State but once in respect to any gasoline. Nothing in this section  
27 shall be construed to exempt from the tax any distributor of gasoline with respect to gasoline used in making such  
28 distribution. The tax shall be collected in the manner hereinafter provided.~~

29           (c) ~~Notwithstanding subsection (a) of this section, the tax levied and imposed in subsection (a) of this section shall  
30 be 22 cents per gallon through December 31, 1994. Thereafter, the tax shall be 23 cents per gallon. Effective January 1,  
31 1995, the tax shall be no more or no less than 23 cents per gallon until increased or decreased by the State. By virtue of the  
32 pledge and assignment of motor fuel tax revenues by the State to the Delaware Transportation Authority, said tax shall not  
33 be decreased during the period any bonds of that Authority are outstanding and unpaid. [Repealed.]~~

34           Section 2. Amend § 5132, Title 30 of the Delaware Code by making deletions as shown by strike through and  
35 insertions as shown by underline as follows:

36           § 5132. Tax imposed.

37           (a) ~~There is hereby levied and imposed a tax of 22 cents per gallon, computed in the same manner and subject to  
38 the same limitations, as the tax rate established for gasoline in § 5110 of this title, as amended, on the sale or delivery of  
39 special fuel to any special fuel dealer or special fuel user not the holder of a valid special fuel dealer's or special fuel user's  
40 license. Said tax, with respect to all special fuel delivered by a special fuel supplier into the bulk storage tank or tanks of  
41 said dealer or user, shall attach at the time of such delivery and shall be collected by the supplier from the dealer or user and  
42 shall be paid over to the Department of Transportation as hereinafter provided.~~

43           (b) ~~There is hereby levied and imposed a tax of 22 cents per gallon, computed in the same manner and subject to  
44 the same limitations, as the tax rate established for gasoline in § 5110 of this title, as amended, on the use (within the  
45 meaning of the word "use" as defined in § 5131 of this title) of special fuel when such special fuel is delivered into the  
46 supply tanks of motor vehicles in this State by a licensed special fuel dealer or a licensed special fuel user. Said tax, with  
47 respect to all special fuel delivered by a licensed special fuel dealer into supply tanks of motor vehicles in this State, shall  
48 attach at the time of such delivery and shall be collected by such dealer from the special fuel user and shall be paid over to  
49 the Department of Transportation as hereinafter provided. Said tax, with respect to special fuel acquired by any licensed  
50 special fuel user in any manner other than by delivery by a special fuel dealer into the supply tank of a motor vehicle, shall  
51 attach at the time of the use (as defined in § 5131 of this title) of such fuel and shall be paid over to the Department of  
52 Transportation by said user as herein provided. [Repealed.]~~

53 Section 3. This Act expires 30 days after enactment into law, unless extended by subsequent action of the General  
54 Assembly.

SYNOPSIS

This Act suspends the state taxes on motor fuel in this State for 30 days.

Author: Senator Pettyjohn