

2022 -- S 2845

LC005692

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO MOTOR AND OTHER VEHICLES -- MOTOR FUEL TAX

Introduced By: Senators Lombardo, Pearson, Ciccone, McCaffrey, Goodwin, F  
Lombardi, Picard, Gallo, Sosnowski, and Felag

Date Introduced: April 05, 2022

Referred To: Senate Finance

It is enacted by the General Assembly as follows:

1           SECTION 1. Subject to the conditions, limitations and restrictions hereinafter contained in  
2 this act, in addition to those monies previously appropriated pursuant to chapter 162 of the Public  
3 Laws of 2021, the sum equal to the amount calculated by the division of taxation necessary to  
4 replace lost revenues as a result of the suspension of the taxes noted in Section 2 is hereby  
5 appropriated to the restricted receipt account for highway improvement funds established under §  
6 31-36-7(b) to ensure that no loss of revenues to any department, agencies or other public body or  
7 organ of government as provided by law prior to the enactment of this act in addition to amounts  
8 previously appropriated and the amount made necessary to replace lost revenue shall be paid out  
9 of funds made available to the state from federal sources under the American Rescue Plan Act of  
10 2021 and State Fiscal Relief Funds not otherwise appropriated to be extended during the fiscal year  
11 ending June 30, 2022. For the purposes and functions hereinafter mentioned, the state controller is  
12 hereby authorized and directed to draw his or her orders upon the general treasurer for the payment  
13 of such sums or such portions thereof as may be required from time to time upon receipt by him or  
14 her of properly authenticated vouchers.

15           SECTION 2. Section 31-36-7 of the General Laws in Chapter 31-36 entitled "Motor Fuel  
16 Tax" is hereby amended to read as follows:

17           **31-36-7. Monthly report of distributors -- Payment of tax.**

18           (a) State requirements. Every distributor shall, on or before the twentieth (20th) day of each  
19 month, render a report to the tax administrator, upon forms to be obtained from the tax

1 administrator, of the amount (number of gallons) of fuels purchased, sold, or used by the distributor  
2 within this state and the amount of fuels sold by the distributor without this state from fuels within  
3 this state during the preceding calendar month, and, if required by the tax administrator as to  
4 purchases, the name or names of the person or persons from whom purchased and the date and  
5 amount of each purchase, and as to sales, the name or names of the person or persons to whom sold  
6 and the amount of each sale, and shall pay at the same time to the administrator tax at the rate of  
7 thirty-two cents (\$0.32) per gallon on all taxable gallons of fuel sold or used in this state.

8 (b) Federal requirements. In the event the federal government requires a certain portion of  
9 the gasoline tax to be dedicated for highway improvements, then the state controller is directed to  
10 establish a restricted receipt account and deposit that portion of gasoline tax receipts which brings  
11 the state into federal compliance.

12 Beginning July 1, 2015, and every other year thereafter, the gasoline tax shall be adjusted  
13 by the percentage of increase in the Consumer Price Index for all Urban Consumers (CPI-U) as  
14 published by the United States Bureau of Labor Statistics determined as of September 30 of the  
15 prior calendar year; said adjustment shall be rounded to the nearest one cent (\$.01) increment,  
16 provided that the total tax shall not be less than provided for in section (a).

17 (c) Emergency suspension of tax. From April 1, 2022 to June 30, 2022, inclusive, the tax  
18 imposed under this chapter shall not apply to fuels or manufactured biodiesel fuel sold or used by  
19 any distributor, filling station, owner, peddler or retail dealer in this state. Nothing in this section  
20 shall be construed to affect the tax due pursuant to other sections of law related to taxes on propane,  
21 natural gas or diesel sold or used by a distributor or other person or entity in this state.

22 (d) Required reduction in price by sellers during emergency suspension. During the period  
23 provided in subsection (c) of this section, each retail dealer shall reduce the per-gallon price of fuels  
24 or manufactured biodiesel fuel sold by such peddler, owner, filling station or retail dealer in an  
25 amount equal to the amount of the reduction in such tax pursuant to subsection (a) of this section.

26 (e) A violation of subsection (d) of this section shall be deemed an unfair or deceptive trade  
27 practice as defined § 6-13.1-1(6).

28 SECTION 3. This act shall take effect upon passage.

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EXPLANATION  
BY THE LEGISLATIVE COUNCIL  
OF

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1           This act would suspend the tax on fuel or manufactured biodiesel fuel sold or used by any  
2 distributor, filling station owner, peddler or retail dealer in Rhode Island from April 1, 2022 to June  
3 30, 2022, and require the seller to reduce the per-gallon price of fuel or manufactured biodiesel fuel  
4 by a sum equal to the tax abatement. The act would deem a failure to reduce the per-gallon price  
5 reduction as an unfair or deceptive trade practice.

6           This act would take effect upon passage.

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