**A** **BILL**

TO AMEND SECTIONS 12‑28‑310, AS AMENDED, 56‑11‑410, AND 56‑11‑450, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO THE IMPOSITION OF THE SIXTEEN CENTS A GALLON MOTOR FUELS USER FEE AND ROAD TAX ON MOTOR CARRIERS, SO AS TO REDUCE THE FEE AND TAX BY TEN PERCENT TO 14.4 CENTS A GALLON EFFECTIVE JULY 1, 2012; AND BY ADDING SECTION 12‑28‑2715 SO AS TO ADJUST APPLICABLE DISTRIBUTION FORMULAS FOR MOTOR FUEL USER FEE REVENUES AND ROAD TAX REVENUES TO REFLECT THIS REDUCTION.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. A. Section 12‑28‑310(A) of the 1976 Code, as last amended by Act 386 of 2006, is further amended to read:

“(A) Subject to the exemptions provided in this chapter, a user fee of ~~sixteen~~ 14.4 cents a gallon is imposed on:

(1) all gasoline, gasohol, or blended fuels containing gasoline that are used or consumed for any purpose in this State; and

(2) all diesel fuel, substitute fuels, or alternative fuels, or blended fuels containing diesel fuel that are used or consumed in this State in producing or generating power for propelling motor vehicles.”

B. Section 56‑11‑410 of the 1976 Code is amended to read:

“Section 56‑11‑410. A road tax for the privilege of using the streets and highways in this State is imposed upon every motor carrier. The tax is equivalent to ~~sixteen~~ 14.4 cents a gallon, calculated on the amount of gasoline or other motor fuel used by the motor carrier in its operations within this State. Except as credit for certain taxes as provided for in this chapter, taxes imposed on motor carriers by this chapter are in addition to taxes imposed upon the carriers by any other provision of law.”

C. Section 56‑11‑450(A) of the 1976 Code is amended to read:

“(A) Every motor carrier subject to the tax imposed under this chapter is entitled to a credit on the tax equivalent to ~~sixteen~~ 14.4 cents ~~per~~ a gallon on all gasoline or other motor fuel purchased by the carrier within this State for use in operations either within or without this State and upon which gasoline or other motor fuel the tax imposed by the laws of this State has been paid by the carrier. Evidence of the payment of the tax in such form as may be required by or is satisfactory to the Department of Motor Vehicles must be furnished by each carrier claiming the credit.”

SECTION 2. Article 27, Chapter 28, Title 12 of the 1976 Code is amended by adding:

“Section 12‑28‑2715. After June 30, 2012, formulas providing for the calculating and distribution of revenues of the motor fuels user fee imposed pursuant to Section 12‑28‑310 and the road tax on motor carriers pursuant to Section 56‑11‑410, must be proportionately adjusted to reflect the decrease of that fee and tax that takes effect July 1, 2012.”

SECTION 3. This act takes effect July 1, 2012.

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