

Increase B&O tax rate for manufacturing petroleum fuels (0.484% to 1% rate)

Description This proposal would increase the B&O tax rate for the manufacturing of motor vehicle fuel (e.g., gasoline) and special fuel (e.g., diesel) to 1%.

Current Law Under current law, persons who manufacture motor vehicle fuel and special fuel are subject to the manufacturing B&O tax at the general manufacturing rate of 0.484%.

Current Law General Fund Impacts (\$ millions):

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$50.1	\$50.1

Notes:

- *Estimates assume a July 1, 2012, effective date, representing 11 months of collections for FY 2013.*
 - *Estimates reflect the September 2011 Economic & Revenue Forecast Council revenue forecast.*
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**Expenditure
Impact**

Fiscal Year 2012	Fiscal Year 2013	2011-2013 Biennium
\$0	\$2,600	\$2,600
