

Senate File 2107 - Introduced

SENATE FILE 2107

BY MATHIS

A BILL FOR

1 An Act establishing a motor vehicle mileage tax pilot program.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. MOTOR VEHICLE MILEAGE TAX PILOT PROGRAM.

2 1. The department of transportation, in coordination with
3 the department of revenue, shall establish a motor vehicle
4 mileage tax pilot program for purposes of evaluating the
5 feasibility of imposing and collecting a tax on the miles
6 traveled annually by motor vehicles on the highways of this
7 state as an alternative to the motor fuel and special fuel
8 taxes imposed under chapter 452A.

9 2. a. The department of transportation, in coordination
10 with the department of revenue, shall develop, implement,
11 and administer the pilot program. Under the program, the
12 department of revenue shall assess participating owners of
13 motor vehicles a mileage tax that is based on the number
14 of miles traveled on highways of this state by those motor
15 vehicles.

16 b. The pilot program shall include at least one
17 thousand volunteers who are residents of this state and are
18 representative of the drivers of motor vehicles operated on
19 the highways of this state, including but not limited to
20 motor vehicles which operate on alternative fuels such as
21 ethanol blended gasoline, biodiesel blended fuel, compressed
22 natural gas, electricity, or hydrogen. The department of
23 transportation or a volunteer may terminate the volunteer's
24 participation in the program at any time.

25 c. The department of transportation shall be responsible
26 for selecting and installing equipment capable of measuring
27 and reporting vehicle mileage in the motor vehicles owned by
28 the participating volunteers. The equipment selected by the
29 department shall have global positioning capabilities.

30 3. The pilot program shall test the reliability, ease
31 of use, cost, public acceptance, and potential for evasion
32 of the technologies and methods used by the department of
33 transportation and department of revenue in implementing the
34 pilot program, including for all of the following:

35 a. Counting the number of miles traveled by the volunteers'

1 vehicles.

2 b. Reporting the number of miles traveled by the volunteers'
3 vehicles.

4 c. Collecting or receiving payments from the volunteers.

5 4. The department of transportation, in coordination with
6 the department of revenue, shall analyze and evaluate the
7 technologies and methods, as described in subsection 3, to do
8 all of the following:

9 a. Protect the integrity of data collected and reported.

10 b. Ensure participating volunteers' privacy.

11 c. Increase or decrease the amount of the tax based on the
12 time of driving, type of road, proximity to transit, vehicle
13 fuel efficiency, participation in vehicle sharing, and income
14 of the participating volunteer.

15 5. The pilot program shall last at least one year but not
16 more than three years. The pilot program shall commence on or
17 before January 1, 2021.

18 6. The department of transportation, in coordination with
19 the department of revenue, shall refund applicable motor fuel
20 and special fuel taxes paid by the volunteers pursuant to
21 chapter 452A or otherwise compensate volunteers to ensure that
22 volunteers are not required to pay more under the program than
23 they would have by not participating in the program. This
24 subsection applies to all volunteers of the pilot program,
25 including those volunteers whose participation ended prior to
26 the termination of the program.

27 7. The department of transportation, in coordination
28 with the department of revenue, shall adopt rules pursuant
29 to chapter 17A necessary for the implementation of the pilot
30 program, including but not limited to rules establishing the
31 process for selecting volunteers, the methods for collecting
32 the mileage tax from the volunteers, mileage reporting
33 requirements for the volunteers, and the process for refunding
34 motor fuel and special fuel taxes paid by the volunteers
35 pursuant to chapter 452A.

1 8. The department of transportation, in coordination
2 with the department of revenue, shall report to the general
3 assembly the results of the pilot program, including the
4 feasibility of permanently assessing a motor vehicle mileage
5 tax; an evaluation of the impacts of such a tax on the economy,
6 the environment, and traffic congestion; a comparison to
7 other potential alternatives or supplements to the fuel taxes
8 assessed pursuant to chapter 452A; and any recommendations.
9 The report required by this subsection shall be submitted
10 to the general assembly no later than six months after the
11 completion of the pilot program.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 This bill requires the department of transportation (DOT),
16 in coordination with the department of revenue (DOR), to
17 establish a motor vehicle mileage tax pilot program for
18 purposes of evaluating the feasibility of imposing and
19 collecting a tax on the miles traveled annually by motor
20 vehicles on the highways of this state as a potential
21 alternative to the motor fuel and special fuel taxes imposed
22 under Code chapter 452A. The DOT, in coordination with the
23 DOR, is required to develop, implement, and administer the
24 pilot program. Under the pilot program, the DOR is required
25 to assess participating owners of motor vehicles a mileage tax
26 that is based on the number of miles traveled on highways of
27 this state by those motor vehicles. The pilot program shall
28 include at least 1,000 volunteers. The DOT or a volunteer may
29 terminate the volunteer's participation in the program at any
30 time. The DOT is responsible for selecting and installing
31 equipment capable of measuring and reporting vehicle mileage in
32 the motor vehicles owned by the participating volunteers.
33 The pilot program is required to test the reliability, ease
34 of use, cost, public acceptance, and potential for evasion of
35 the technology and the methods used by the DOT and the DOR. The

1 DOT, in coordination with the DOR, is required to analyze and
2 evaluate the technologies and methods used in the pilot program
3 to protect the integrity of the data collected and reported,
4 ensure the participating volunteers' privacy, and increase or
5 decrease the amount of the tax based on certain factors.

6 The pilot program is required to last at least one year,
7 but not more than three years, and must commence on or before
8 January 1, 2021.

9 The DOT, in coordination with the DOR, is required to refund
10 motor fuel and special fuel taxes paid by the volunteers
11 pursuant to Code chapter 452A or otherwise compensate
12 volunteers to ensure that they are not required to pay more
13 under the program than they would have by not participating in
14 the program.

15 The DOT, in coordination with the DOR, is required to report
16 to the general assembly the results of the pilot program
17 no later than six months after the completion of the pilot
18 program.