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## **OLR Bill Analysis**

### **sHB 6931**

#### ***AN ACT CONCERNING THE REPORTING FREQUENCY FOR THE HIGHWAY USE TAX.***

#### **SUMMARY**

This bill requires carriers subject to the highway use tax (i.e., highway use fee or HUF) to file returns and submit payments quarterly, rather than monthly as current law requires, starting with the third quarter of 2023. Under the bill, the quarterly returns and payments are due by the last day of the month following a calendar quarter (i.e., January 31, April 30, July 31, and October 31).

The bill also makes technical and conforming changes. These include requiring the Department of Revenue Services to order a permit cancellation hearing if a carrier files a return for two successive calendar quarters (rather than four successive months as under current law) indicating that none of the carrier's motor vehicles used roads in the state.

EFFECTIVE DATE: July 1, 2023

#### **BACKGROUND**

##### ***Highway Use Fee***

The HUF took effect on January 1, 2023. By law, it applies to carriers operating, or causing to be operated, certain heavy, multi-unit motor vehicles on public roads in the state. It is calculated based on a vehicle's gross weight (i.e., the vehicle's light weight plus its load) and the number of miles driven in the state. The applicable rates range from (1) 2.5 cents per mile for vehicles weighing 26,000 to 28,000 pounds to (2) 17.5 cents per mile for vehicles weighing more than 80,000 pounds. Vehicles transporting milk or dairy products to or from a dairy farm that holds a license to ship milk are exempt.

**COMMITTEE ACTION**

Finance, Revenue and Bonding Committee

Joint Favorable

Yea 51 Nay 0 (04/19/2023)