

# Calendar No. 1249

72<sup>ND</sup> CONGRESS }  
3<sup>D</sup> Session }

SENATE

{ REPORT  
No. 1156 }

## FEDERAL GAS TAX

JANUARY 10 (calendar day, FEBRUARY 6), 1933.—Ordered to be printed

Mr. SMOOT, from the Committee on Finance, submitted the following

### REPORT

[To accompany H. R. 14416]

The Committee on Finance, to whom was referred the bill (H. R. 14416) to make the Federal gasoline tax effective until June 30, 1934, having considered the same, report it back to the Senate and recommend that it do pass with the following amendment:

On page 1, line 11, strike out "State, or political subdivision thereof," and insert in lieu thereof the following: "State or Territory, or a political subdivision thereof, or the District of Columbia,".

The first section of the bill strikes out that part of section 629 of the revenue act of 1932 which limits the application of the gasoline tax to the period ending June 30, 1933. The effect of the section is thus to make the gasoline tax effective for the period ending June 30, 1934.

Section 2, as amended, provides for refunds to Territories, States, counties, municipalities, and other political subdivisions thereof, and to the District of Columbia, of the amount of Federal gasoline tax paid with respect to gasoline used in the exercise of an essential governmental function. Under the present law direct sales by the refiner to the State are tax exempt, but sales by dealers and distributors are not. This section permits the State to secure a refund of the tax in such a case. It relates, however, solely to gasoline purchased by the State after the subsection becomes law. The section applies to State purchases of gasoline, the rule that would have applied to all articles, taxable under Title IV of the 1932 act if House Joint Resolution 439, which passed the House on June 22, 1932, had been enacted into law.