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Home > Ringing up profits: DMV clears \$38 million for Alaska

Sean Doogan [1] March 23, 2014 Main Image:

dalton highway haul road [2]

It's a place most of us have spent hours inside -- the local office of the Alaska Division of Motor Vehicles. Whether getting a new license or ID card, registering a car or renewing a license, many Alaskans have languished inside the local DMV, waiting for their number to be called so they can approach the counter. A myriad of fees and charges are collected, from license plate fees to the cost of renewing a driver's license. But here's something you may not know: The amount of money DMV takes in each year far exceeds what it spends.

That's right, DMV is a moneymaker for the State of Alaska.

According to numbers provided by the Alaska Department of Administration, DMV took in \$76 million in 2013. About \$21 million went to specific programs -- as required by law -- or local governments. Another \$17.5 million paid for the operation of DMV itself, leaving about \$38 million left over. That money that went straight into state coffers.

DMV gets its money from a wide range of services. It collects the motor vehicle road tax, assessed when you register a car or truck in Alaska. Most of that money (\$18 million last year) goes to local municipalities. But money paid to get a driver's license, a state-issued ID card, or a motor vehicle title change goes directly into the state's general fund -- the pot of money the Alaska Legislature works with to fund every aspect of state government.

A few other state departments and divisions earn more money than they spend. The Alaska Department of Fish and Game brought in almost \$25 million from fees collected for fishing, hunting and trapping licenses last year. But according to Fish and Game official Ben Mulligan, the department's income is all placed in a dedicated account to be used for Fish and Game programs.

Unlike Fish and Game, however, DMV profit goes into the general fund -- meaning that car registrations and license fees are paying for non-vehicle related expense, funding all sorts of things from education to capital improvement projects.

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