

# LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES  
LEGISLATIVE AFFAIRS AGENCY  
STATE OF ALASKA

(907) 465-3867 or 465-2450  
FAX (907) 465-2029  
Mail Stop 3101


State Capitol  
Juneau, Alaska 99801-1182  
Deliveries to: 129 6th St., Rm. 329

## MEMORANDUM

March 26, 2015

**SUBJECT:** Sectional Summary of CSSB 86(L&C)  
Work Order No. 29-LS0675\S)

**TO:** Senator Mia Costello  
Chair of the Senate Labor and Commerce Committee  
Attn: Weston Eiler

**FROM:** Emily Nauman   
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

Section 1 amends AS 43.05.230(g) by adding qualified dealer license information to the list of license information that is public.

Section 2 adds a new surcharge, a refined fuel surcharge, to AS 43.40, lists exemptions to the surcharge, and states that legislature may appropriate the balance of the surcharge to the oil and hazardous substance release prevention account of the oil and hazardous substance release prevention and response fund.

Section 3 amends AS 43.40.010(a), the motor fuel tax, to conform to the addition of the refined fuel surcharge in sec. 2. Repeals language related to an alternate tax rate that, after 2004, is no longer applicable.

Section 4 amends AS 43.40.010(b), the motor fuel tax, to conform to the addition of the refined fuel surcharge in sec. 2. Repeals language related to an alternate tax rate that, after 2004, is no longer applicable.

Section 5 amends AS 43.40.010(e) to specify that AS 43.40.010(e) applies only to the motor fuel tax and not to the refined fuel surcharge.

Section 6 replaces repealed AS 43.40.010(c), that applied only to the motor fuel tax, with a new statutory section AS 43.40.013, that sets the schedule for remittance of the refined

fuel surcharge and the motor fuel tax, and allows a deduction from the amount owed for the expense of filing a return.

Section 7 amends AS 43.40.015(c) to specify that the certificate of use requirement in AS 43.40.015 applies only to the motor fuel tax.

Section 8 amends AS 43.40.015(d) to specify that the certificate of use requirement in AS 43.40.015 applies only to the motor fuel tax.

Section 9 amends AS 43.40.030, related to the refund of the motor fuel tax for nonhighway use, to clarify that AS 43.40.030 applies only to the motor fuel tax.

Section 10 amends AS 43.40.035(a), relating to refunds for resales, to include the new refined fuel surcharge in AS 43.40.

Section 11 amends AS 43.40.035(c), relating to federal fuel purchase with a credit card to include the new refined fuel surcharge in AS 43.40.

Section 12 amends AS 43.40.050(b), relating to the timing and waiver of a tax or surcharge refund to include the new refined fuel surcharge in AS 43.40.

Section 13 amends AS 43.40.060, relating to the issuance of separate invoices related to a refund claim, to include the new refined fuel surcharge in AS 43.40.

Section 14 amends AS 43.40.070, related to the refund of the motor fuel tax from the highway fuel tax account, to clarify that AS 43.40.070 only applies to the motor fuel tax.

Section 15 adds a new subsection to AS 43.40.070 requiring that the department refund the refined fuel surcharge from the oil and hazardous substance release prevention account of the oil and hazardous substance release prevention and response fund.

Section 16 amends AS 43.40.080(a), relating to determining the validity of a refund claim to include the new refined fuel surcharge in AS 43.40.

Section 17 amends AS 43.40.085, requiring dealers and users of fuel to maintain records relating to sales of fuel for three years, to include the new refined fuel surcharge in AS 43.40.

Section 18 amends AS 43.40.092(a), relating to a motor fuel exemption for certain jet fuels, to specify that the subsection applies only to the motor fuel tax.

Section 19 adds a new section, AS 43.40.094, creating a qualified dealer license in statute.

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Section 20 amends the definition of "dealer" AS 43.40.100(1) to include the new refined fuel surcharge in AS 43.40.

Section 21 amends the definition of "qualified dealer" AS 43.40.100(3) to include the new refined fuel surcharge in AS 43.40.

Section 22 amends the definition of "user" AS 43.40.100(4) to include the new refined fuel surcharge in AS 43.40.

Section 23 adds a definition for "refined fuel" to AS 43.40.100.

Section 24 repeals AS 43.40.010(c).

Section 25 provides transition language for regulations related to qualified dealer licenses.

Section 26 provides an effective date of July 1, 2015.

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