



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Revenue

COMMISSIONER'S OFFICE

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March 21, 2025

The Honorable Neal Foster
Co-Chair, House Finance Committee
Alaska State Capitol, Room 511
Juneau, AK 99801

The Honorable Andy Josephson
Co-Chair, House Finance Committee
Alaska State Capitol, Room 505
Juneau, AK 99801

The Honorable Calvin Schrage
Co-Chair, House Finance Committee
Alaska State Capitol, Room 410
Juneau, AK 99801

Dear Co-Chairs Foster, Josephson, and Schrage,

Thank you for the opportunity to respond to the questions asked by the House Finance Committee during the hearing on the Spring Revenue Forecast on March 13, 2025. Please see the questions in italics and our response immediately below the questions.

- 1. Provide the dollar amounts associated with the percent values in slides 6 and 7 of the presentation showing revenue contribution by source.***

The requested slides are included as an attachment. Note, the values in these slides are presented in millions of dollars.

- 2. Provide revenue estimates associated with Senate Bill 92, Short Title: CORP. INCOME TAX; OIL & GAS ENTITIES.***

Senate Bill 92 would add a tax on certain oil and gas pass-through entities with qualified taxable income over \$5,000,000. The most recent official Department of Revenue fiscal note associated with this bill was prepared on February 14, 2025, and is included as an attachment.

3. *Provide revenue estimates associated with Senate Bill 112, Short Title: OIL & GAS PRODUCTION TAX.*

Senate Bill 112 would increase production taxes on the oil and gas industry in two ways: reducing the sliding scale per-taxable-barrel credit and limiting the amount of per-taxable-barrel credits that can be used based on capital expenditures. The most recent official Department of Revenue fiscal note associated with this bill was prepared on March 7, 2025, and is included as an attachment.

4. *Provide revenue estimates associated House Bill 49, Short Title: TOBACCO/NICOTINE/E-CIG AGE; E-CIG TAX.*

House Bill 49 would levy a new tax on closed electronic smoking products and vapor products at a rate of 25 percent of the sale price. Currently, electronic smoking products are not subject to tax at the state level. The most recent official Department of Revenue fiscal note associated with this bill was prepared on January 25, 2025, and is included as an attachment.

Please let me know if I can be of further assistance.



Adam Crum
Commissioner

Enclosures: Revised Presentation Slides 6 and 7 Showing Dollar Values
 SB 92 Fiscal Note DOR
 SB 112 Fiscal Note DOR
 HB 49 Fiscal Note DOR

cc: Jordan Shilling, Director, Governor's Legislative Office

Relative Contributions to Total State Revenue: FY 2024

Federal Revenue
37.2% (\$6,066)

Total State Revenue: \$16.3 Billion

Investment Earnings
36.8% (\$5,994)

Petroleum
18.7% (\$3,040)

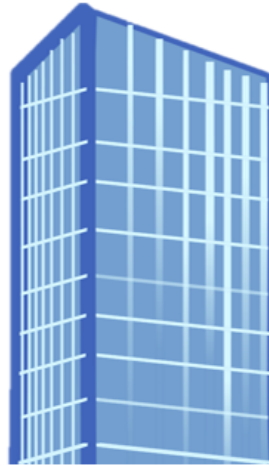
Other Revenues
5.7% (\$936)

Fisheries
0.7% (\$108)

Tourism
0.7% (\$119)

Mining
0.2% (\$34)

Timber
0.01% (\$2)



Disclaimer: All dollar amounts in millions. Numbers may not add to 100% due to rounding.
Examples may not be to scale.

Source: DOR Spring 2025 Revenue Forecast

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Relative Contributions to Total State Revenue: FY 2025

Total State Revenue: \$17.4 Billion

Federal Revenue
41.1% (\$7,138)

Investment Earnings
37.1% (\$6,446)

Petroleum
13.7% (\$2,389)

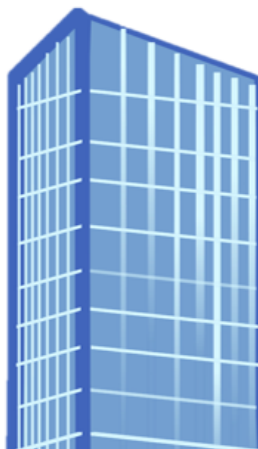
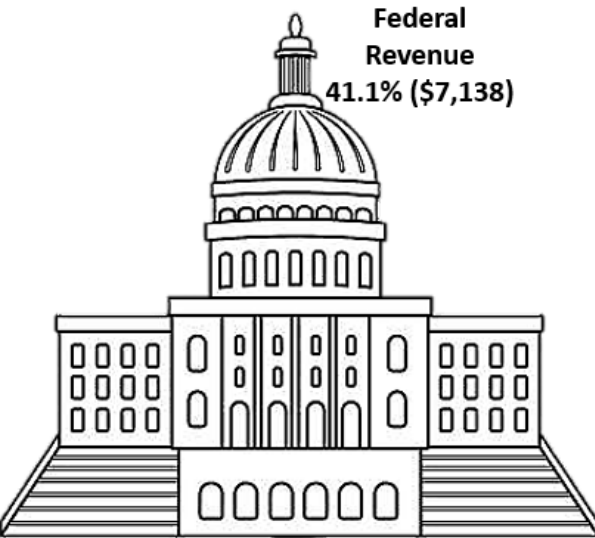
Other Revenues
6.3% (\$1,088)

Tourism
0.8% (\$141)

Fisheries
0.6% (\$109)

Mining
0.4% (\$74)

Timber
0.02% (\$3)



Disclaimer: All dollar amounts in millions. Numbers may not add to 100% due to rounding.
Examples may not be to scale.

Source: DOR Spring 2025 Revenue Forecast

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