



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Department of Revenue

TAX DIVISION

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March 30, 2018

The Honorable Anna MacKinnon and the Honorable Lyman Hoffman
Alaska State Senators
Co-chairs, Senate Finance Committee
State Capitol Rooms 516 and 518
Juneau, AK 99801

Dear Co-Chairs MacKinnon and Hoffman:

The purpose of this letter is to provide you with a response to a question asked of the Department of Revenue during our presentation to the Senate Finance Committee on March 19, 2018. Please see the request in *italics* and our response immediately below the request.

1. *DOR was asked to provide detail underlying the analyst oil price forecast projections that were presented in the spring forecast update.*

Please see the attached document “Analyst Brent Price Forecast Backup.” The analyst forecasts included in the attached document were taken from Bloomberg L.P.’s financial database on March 9, 2018. There were 31 independent financial firms/corporations that were retrieved from the Bloomberg database. Forecasts utilized in computing our analyst average were made between January 22, 2018 and March 7, 2018. As you will note, the universe of analysts forecasting oil prices declines over time until the group becomes so small that it no longer reflects a representative sample.

I hope you find this information to be useful. Please do not hesitate to contact me if you have further questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "K Alper".

Ken Alper
Tax Division Director

Attachments:
Analyst Brent Price Forecast Backup