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Governor Bill Walker
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May 26, 2016

The Honorable Mike Chenault
Speaker of the House
Alaska State Legislature
State Capitol, Room 218
Juneau, AK 99801-1182

Dear Speaker Chenault:

Under the authority of Article III, Section 18, of the Alaska Constitution, I am transmitting a bill relating to the motor fuel tax.

The bill would increase the currently outdated tax rates on motor fuels with increases on motor fuel, aviation gasoline, motor fuel used in and on watercraft, and aviation fuel other than gasoline. The tax on a gallon of motor fuel used or transferred within the state would be raised from eight cents a gallon to 16 cents a gallon. Likewise, the tax on aviation gasoline would be raised to seven cents a gallon (the current rate is four and seven-tenths), the tax on marine fuel would be raised to 10 cents a gallon (the current rate is five cents), and the tax on aviation fuel other than gasoline would be six and one-half cents a gallon (the current rate is three and two-tenths). The bill would also double the credit for highway fuel used to operate an internal combustion engine off-road, from six cents a gallon to 12 cents a gallon.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink that reads "Bill Walker".

Bill Walker
Governor

Enclosure