

House Bill 152

Education Tax

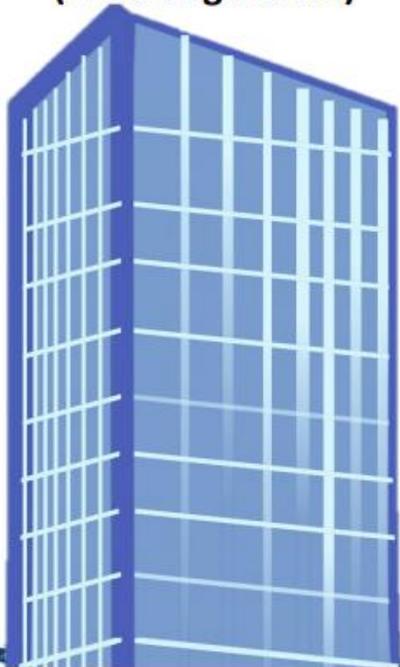
Representative Alyse Galvin
House State Affairs Committee
February 17, 2026

Staff: David Jiang

Relative Contributions to Total State Revenue: FY 2025

Total State Revenue: \$19.2 Billion

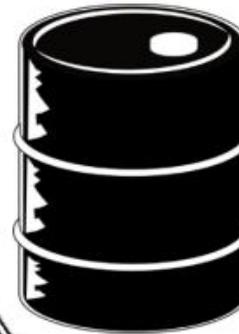
Investment Earnings 43.7%
(including POMV)



Federal Revenue
36.1%



Petroleum
12.9%



Other Revenues
5.5%



Tourism
0.7%



Fisheries
0.6%



Mining
0.5%



Timber
0.01%



Disclaimer: Numbers may not add to 100% due to rounding. Examples may not be to scale.

Source: DOR Fall 2025 Revenue Forecast

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The State of Alaska needs MORE REVENUE

What HB152 Does Do

- Proposes a 4% flat tax on high earning Alaskans (only applies to income above \$150,000 per year for single filers; \$300,000 for joint filers)
- \$150 head tax on all other Alaska wage and income earners.
- Closes the current S-Corp loophole
- Captures revenue from the incomes of high earning nonresident workers
- Can function as a component of a sustainable fiscal plan for education, as a broad-based stabilizer of our currently unpredictable revenue stream based on oil prices.

HB152 – Current Structure

Flat rate 4% tax based on federal “Adjusted Gross Income” (AGI) on income above \$150,000, plus \$150 per person head tax

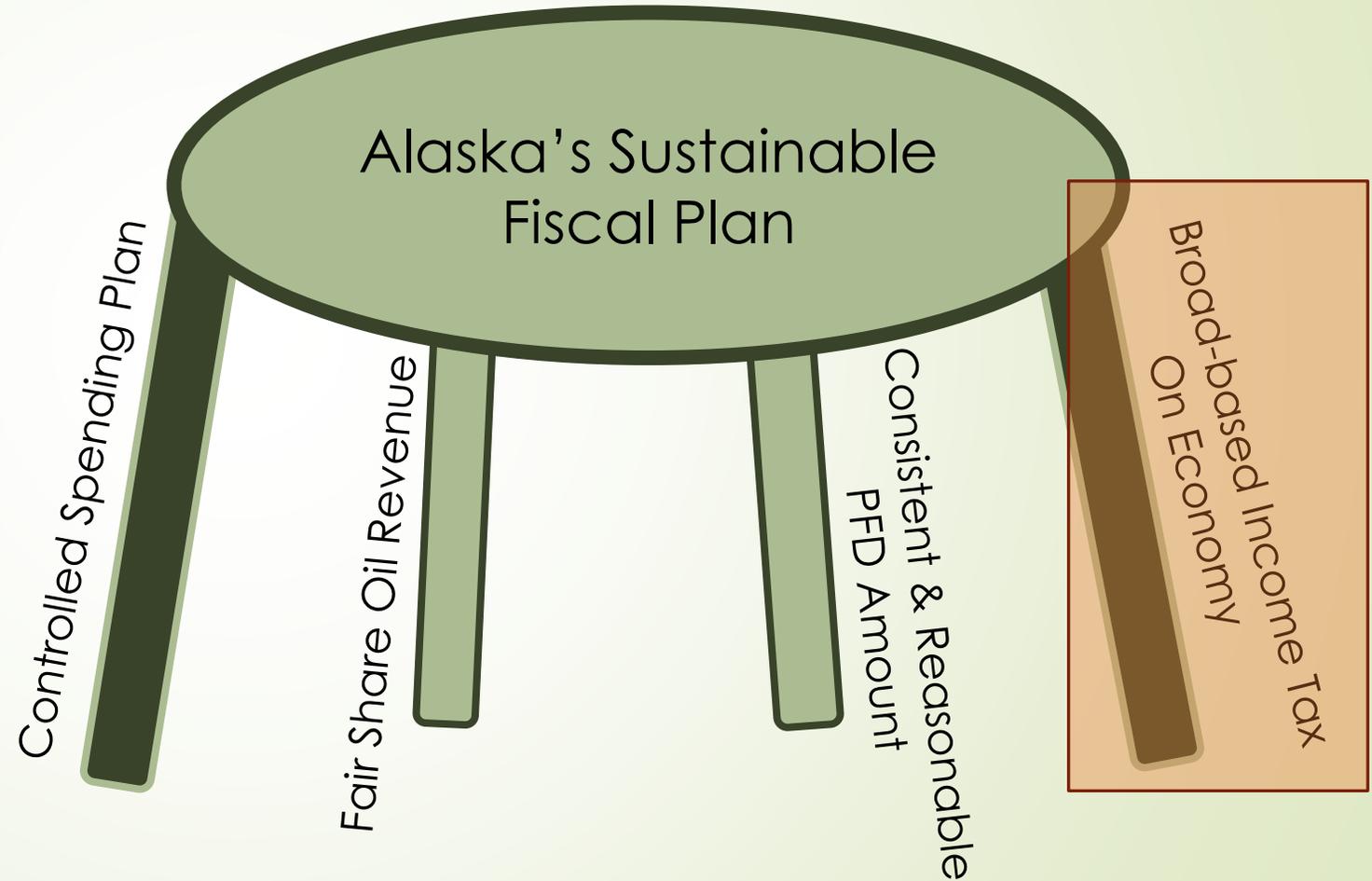


Sustainable Alaska Fiscal Plan – A Four-Legged Stool

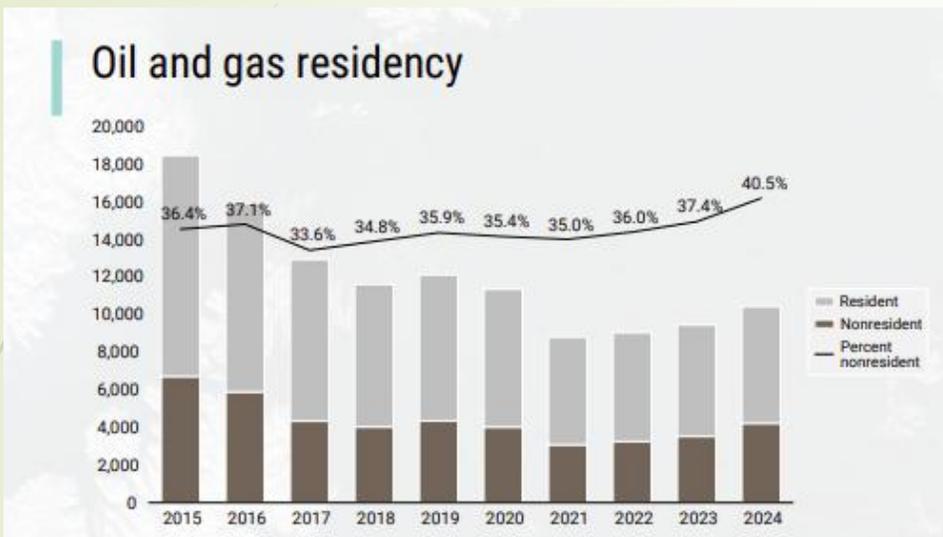
Balancing the Budget

Components of a Sustainable Fiscal Plan:

- Stable Spending
- Fair Oil Share
- Reasonable PFD Amount
- Broad-based Tax



Non-Resident Workers and the Education Tax



- The percentage of non-resident workers has increased dramatically, from a low of 18.3% in 2020 to an all-time high of 22.5% in 2023.
- Oil and gas extraction workers are paid the highest average quarterly wages in the state (2.4 times the statewide average), with an average wage of \$181,143 per year.
- Oil and gas industry has a high proportion of non-resident workers, for an average of 40.5%.
 - For occupations like service unit operators, operating engineers (~25% of workforce), it is 47.2% non-resident
- HB 152's 4% tax rate is lower than most state income taxes and only impacts high-earners. Non-residents get credit on their resident state income tax returns.
 - It's a win-win: non-residents pay lower tax on a portion of their income that would have otherwise been taxed at a higher rate back home

20 largest occupations

	Total workers	Pct nonres
Service Unit Operators, Oil and Gas	1,608	47.8
Operating Engineers and Other Construction Equipment Operators	1,150	47.2
Maintenance and Repair Workers, General	563	43.2
Roustabouts, Oil and Gas	407	35.4
Heavy and Tractor-Trailer Truck Drivers	396	58.1
Petroleum Engineers	387	20.9
First-Line Supervisors of Construction Trades and Extraction Workers	336	38.7
Mobile Heavy Equipment Mechanics, Except Engines	323	52.6
Petroleum Pump System Operators, Refinery Operators, and Gaugers	314	48.1
Electricians	269	46.1
Engineers, All Other	224	31.3
Welders, Cutters, Solderers, and Brazers	195	53.3
Helpers: Extraction Workers	168	47.0
Construction Laborers	156	34.0
Construction Managers	132	40.9
General and Operations Managers	119	27.7
Maintenance Workers, Machinery	119	33.6
Derrick Operators, Oil and Gas	116	46.6
Carpenters	113	40.7
Helpers: Installation, Maintenance, Repair Workers	108	34.3

Occupations in oil and gas extraction and related oilfield services. Private sector only.

THANK YOU



Feel Free to Call or Email with Any Questions

Representative Alyse Galvin
Rep.Alyse.Galvin@Akleg.Gov
(907) 465-3875

