

# FISCAL NOTE

**STATE OF ALASKA**  
**2012 LEGISLATIVE SESSION**

Bill Version **HB298**  
 Fiscal Note Number \_\_\_\_\_  
 () Publish Date \_\_\_\_\_

Identifier (file name) **HB298-DNR-DMLW-1-30-12** Dept. Affected **Department of Natural Resources**  
 Title **Exemptions from Mining Tax** Appropriation **Land & Water Resources**  
 Allocation **Mining Land & Water**  
 Sponsor **Representative Seaton**  
 Requester **House Resources** OMB Component Number **3002**

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY13 Appropriation Requested	Included in Governor's FY13 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY13	FY13	FY14	FY15	FY16	FY17	FY18
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

FUND SOURCE (Thousands of Dollars)							
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1037	GF/MH (UGF)						
1178	temp code (UGF)						
<b>TOTAL</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							
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**Estimated SUPPLEMENTAL (FY12) operating costs** 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY13) costs** 0.0 (separate capital appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Why this fiscal note differs from previous version (if initial version, please note as such)**

Initial version

Prepared by Brent Goodrum  
 Division Mining Land & Water  
 Approved by Daniel S. Sullivan  
Commissioner

Phone (907) 269-8625  
 Date/Time 01-30-2012 / 4:00 PM  
 Date 1/30/2012

## FISCAL NOTE

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2012 LEGISLATIVE SESSION

BILL NO. HB298

### Analysis

Section 1 of HB 298 removes a sentence from AS 43.65 which effectively exempts mining of sand and gravel from the mining license tax.

Section 2 of HB 298 also amends the definition of mining under AS 43.65 to exclude "marketable earth" as a product that is extracted, mined, or taken from the earth. It also excludes marketable earth, sand and gravel from the definition of mining as the ordinary treatment processes applied by mine owners or operators to obtain the commercially marketable product. Therefore, by removing the mining of sand, gravel and marketable earth from this section, the mining of these products are exempt from the mining license tax.

If enacted, this bill takes into effect July 1, 2012. This bill is expected to have zero fiscal impact on the Department of Natural Resources.