

Revenue

Applicable Program

Motor Fuel Tax

Indirect Expenditure Name

Timely filing discount

Department of Revenue Submission per AS 43.05.095**(1) Description of Provision**

Gives a timely filing credit of 1% of the total monthly tax due to a maximum of \$100.

(2) Authorizing Statute Regulation or Other Authority

AS 43.40.010 (c)

(3) Year Enacted

1951, last amended 1997

(4) Sunset or Repeal Date

None

(5) Legislative Intent

To encourage timely filing of motor fuel tax returns and provide an allowance to cover the accounting expense of filing timely monthly tax returns.

(6) Public Purpose

To encourage timely filing of tax returns.

(7) Estimated Revenue Impact

FY 2009 - \$57,090

FY 2010 - \$56,375

FY 2011 - \$65,752

FY 2012 - \$65,636

FY 2013 - \$66,738

(8) Cost to Administer**(9) Number of Beneficiaries**

81

Legislative Finance Analysis per AS 24.20.235**(1) Estimate of Annual Revenue Foregone by the State**

\$66,738

(2) Estimate of Annual Benefit to Recipients

\$100

(3) Legislative Intent Met?

Yes

(4) Should it be Continued, Modified or Terminated?

Recommend termination. Instead of a break for timely filing, recommend a penalty for late filing. Other state tax payers do not receive a discount for timely tax filing.