

# FISCAL NOTE

**STATE OF ALASKA**  
**2009 LEGISLATIVE SESSION**

Fiscal Note Number: \_\_\_\_\_  
 Bill Version: **SB 14**  
 (S) Publish Date: **3/27/09**

Identifier (File Name): **SB14-DOR-TAX-03-05-09** Dept. Affected: **Revenue 04**  
 Title: **Extend Motor Fuel Tax Suspension** RDU: **Taxation and Treasury**  
 Sponsor: **Senator Davis** Component: **Taxation and Treasury**  
 Requester: **(S) Labor & Commerce** Component No.: **2476**

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

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

|                               | Appropriation<br>Required | Information |            |            |            |            |            |            |
|-------------------------------|---------------------------|-------------|------------|------------|------------|------------|------------|------------|
|                               |                           | FY 2010     | FY 2010    | FY 2011    | FY 2012    | FY 2013    | FY 2014    | FY 2015    |
| <b>OPERATING EXPENDITURES</b> |                           |             |            |            |            |            |            |            |
| Personal Services             |                           |             |            |            |            |            |            |            |
| Travel                        |                           |             |            |            |            |            |            |            |
| Contractual                   |                           |             |            |            |            |            |            |            |
| Supplies                      |                           |             |            |            |            |            |            |            |
| Equipment                     |                           |             |            |            |            |            |            |            |
| Land & Structures             |                           |             |            |            |            |            |            |            |
| Grants & Claims               |                           |             |            |            |            |            |            |            |
| 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> |

|                             |          |            |            |            |            |            |            |            |
|-----------------------------|----------|------------|------------|------------|------------|------------|------------|------------|
| <b>CAPITAL EXPENDITURES</b> | <b>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> | <b>0.0</b> |
|-----------------------------|----------|------------|------------|------------|------------|------------|------------|------------|

|                               |                   |            |                   |                   |            |            |            |
|-------------------------------|-------------------|------------|-------------------|-------------------|------------|------------|------------|
| <b>CHANGE IN REVENUES ( )</b> | <b>(33,900.0)</b> | <b>0.0</b> | <b>(40,600.0)</b> | <b>(10,200.0)</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/Program Receipts   |            |            |            |            |            |            |            |
| 1037 GF/Mental Health      |            |            |            |            |            |            |            |
| Other Interagency Receipts |            |            |            |            |            |            |            |
| <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> | <b>0.0</b> |

Estimate of any current year (FY2009) cost: 0

**POSITIONS**

|           |  |  |  |  |  |  |  |
|-----------|--|--|--|--|--|--|--|
| Full-time |  |  |  |  |  |  |  |
| Part-time |  |  |  |  |  |  |  |
| Temporary |  |  |  |  |  |  |  |

**ANALYSIS:** (Attach a separate page if necessary)

This bill would extend the existing motor fuel tax suspension for an additional two years, until August 31, 2011. Revenue from the motor fuel tax goes to the General Fund. 60 percent of taxes attributable to aviation fuel sales at municipally owned or operated airports is customarily shared with the respective municipalities.

In FY 2008, the last year before the tax suspension, the motor fuel tax generated \$41.6 million, and \$148,000 of that was shared with municipalities. As a result of this bill, we anticipate no motor fuel tax revenues in FY 2010 and FY 2011. For FY 2012, we estimate that the state will receive nine months of revenue (beginning with returns due in October 2011). Revenue impacts shown are based on the expected reduction compared to our Fall 2008 revenue forecast. Expenditures will not be affected as this is a temporary suspension and taxpayers are still required to file informational returns.

Prepared by: **Dan Stickel, Economist**  
 Division: Tax Division  
 Approved by: **Ginger Blaisdell** Director  
 Agency: Administrative Services

Phone: (907) 465-3279  
 Date/Time: 3/4/09 3:04pm  
 Date: 3/5/2009