

1 IN THE SENATE

BY BLODGETT

2 SENATE BILL NO. 208

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act removing watercraft from the general tax levy
7 on transfers or consumption of motor fuel; and pro-
8 viding for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 43.40.010(a) is amended to read:

11 (a) There is levied a tax of five cents a gallon on all motor
12 fuel sold and delivered, or otherwise transferred, within the state;
13 except that (1) the tax on aviation gasoline is three cents a gallon,
14 (2) there is no [THE] tax on motor fuel used in engines for the pro-
15 pulsion of boats and watercrafts of all descriptions [IS TWO CENTS A
16 GALLON], and (3) the tax on all aviation fuel other than gasoline is
17 one and one-half cents a gallon.

18 * Sec. 2. AS 43.40.010(b) is amended to read:

19 (b) There is levied a tax of five cents a gallon on all motor
20 fuel consumed by a user, except that (1) the tax on aviation gasoline
21 consumed is three cents a gallon, (2) there is no [THE] tax on motor
22 fuel used in engines for the propulsion of boats and watercraft of all
23 descriptions [IS TWO CENTS A GALLON], and (3) the tax on all aviation
24 fuel other than gasoline is one and one-half cents a gallon.

25 * Sec. 3. AS 43.40.010(f) is repealed.

26 * Sec. 4. AS 43.40.010(g) is amended to read:

27 (g) The proceeds of the revenue from the tax on all motor fuels,
28 except as provided in (e) [AND (F)] of this section, shall be deposited
29 in a special highway fuel tax account in the state general fund. The

1 legislature may appropriate funds from it for expenditure by the
2 Department of Public Works directly or as matched with available
3 federal-aid highway money for maintenance of highways, construction of
4 highway projects and ferries included in the program provided for in
5 AS [SEC.] 23.10.150, including approaches, appurtenances and related
6 facilities and acquisition of rights-of-way or easements, and other
7 highway costs including surveys, administration, and related matters.
8 All departments of the state government authorized to spend funds col-
9 lected from taxes imposed by secs. 10 - 100 of this chapter shall per-
10 form, when feasible, all construction or reconstruction projects by
11 contract after the projects have been advertised for competitive bids,
12 except that when feasible, arrangements shall be made with political
13 subdivisions to carry out the construction or reconstruction projects.
14 If it is not feasible for the work to be performed by state engineering
15 forces, the commissioner of public works may contract on a professional
16 basis with private engineering firms for road design, bridge design,
17 and services in connection with surveys. If more than one private
18 engineering firm is available for the work the contracts shall be
19 entered into on a negotiated basis.

20 * Sec. 5. AS 43.40.030(a)(2) is amended to read:

21 (2) the motor fuel is not aviation fuel [OR MOTOR FUEL USED
22 IN AN ENGINE TO PROPEL A BOAT OR WATERCRAFT]; and

23 * Sec. 6. AS 43.40.100(2) is amended to read:

24 (2) "motor fuel" means fuel used in an engine for the pro-
25 pulsion of a motor vehicle, aircraft, [BOAT OR WATERCRAFT,] or in a
26 stationary engine, machine or mechanical contrivance which is propelled
27 by an internal combustion motor, except boats or watercraft; except on
28 consignments of motor fuel oil to foreign countries and except fuel
29 used in stationary power plants operating as public utility plants and

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generating electrical energy for sale to the general public or by
nonprofit power associations or corporations for generating electric
energy for resale or by charitable institutions;

* Sec. 7. AS 43.40.120 is repealed.

* Sec. 8. This Act takes effect on July 1, 1968.