

Original sponsor: Finance  
Committee

Offered: 4/25/69  
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 CS FOR SENATE BILL NO. 146

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the tax on motor fuel used by  
7 watercraft; and providing for an effective date."

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

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

10 (a) There is levied a tax of eight [FIVE] cents a gallon on all  
11 motor fuel sold and delivered, or otherwise transferred, within the  
12 state; except that (1) the tax on aviation gasoline is four cents a  
13 gallon, (2) the tax on motor fuel used in engines for the propulsion  
14 of boats and watercraft of all descriptions, including that motor fuel  
15 which may be utilized for heating and cooking aboard boats and water-  
16 craft, is four [TWO] cents a gallon, and (3) the tax on all aviation  
17 fuel other than gasoline is two 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 eight [FIVE] cents a gallon on all  
20 motor fuel consumed by a user, except that (1) the tax on aviation  
21 gasoline consumed is four cents a gallon, (2) the tax on motor fuel  
22 used in engines for the propulsion of boats and watercraft of all  
23 descriptions, including that motor fuel which may be utilized for heating  
24 and cooking aboard boats and watercraft, is four [TWO] cents a gallon,  
25 and (3) the tax on all aviation fuel other than gasoline is two and  
26 one-half cents a gallon.

27 \* Sec. 3. AS 43.40.030 is amended to read:

28 Sec. 43.40.030. REFUND FOR NONHIGHWAY USE. (a) A person who  
29 uses motor fuel to operate an internal combustion engine is entitled

1 to a refund of six [THREE] cents a gallon if

2 (1) the tax on the motor fuel has been paid;

3 (2) the motor fuel is not aviation fuel or motor fuel used  
4 in an engine to propel a boat or watercraft, including motor fuel which  
5 may be utilized for heating and cooking aboard boats and watercraft; and

6 (3) the internal combustion engine is not used in or in con-  
7 junction with a motor vehicle licensed to be operated on public ways.

8 (b) The entire tax levied by secs. 10 - 100 of this chapter shall  
9 be refunded to the purchaser on that part of the motor fuel used in a  
10 foreign country on which duty is paid when the fuel is sold and de-  
11 livered in the state for nonhighway use in a foreign country.

12 (c) The Department of Revenue shall establish the necessary regu-  
13 lations and prescribe the appropriate forms to prove that the motor  
14 fuel is taken to and used in foreign countries.

15 (d) A person who uses motor fuel for heating and cooking aboard  
16 boats and watercraft is entitled to a refund of four cents a gallon on  
17 all motor fuel utilized for heating and cooking if

18 (1) the tax on the motor fuel has been paid; and

19 (2) the motor fuel is not used in an engine to propel a  
20 boat or watercraft.

21 \* Sec. 4. AS 43.40.100(2) is amended to read:

22 (2) "Motor fuel" means fuel used in an engine for the pro-  
23 pulsion of a motor vehicle, aircraft, boat or watercraft, including  
24 that motor fuel which may be utilized for heating and cooking aboard a  
25 boat or watercraft, or in a stationary engine, machine or mechanical  
26 contrivance which is propelled by an internal combustion motor; except  
27 on consignments of motor fuel oil to foreign countries and except fuel  
28 used in stationary power plants operating as public utility plants and  
29 generating electrical energy for sale to the general public or by

1 nonprofit power associations or corporations for generating electric  
2 energy for resale or by charitable institutions.

3 ■ Sec. 5. AS 43.40.110 and AS 43.40.120 are repealed.

4 ■ Sec. 6. This Act takes effect on July 1, 1969.  
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