

Introduced: 1/30/76  
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 675

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the tax on motor fuel for water-  
7 craft; 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 CHAPTER 40. MOTOR FUEL [OIL] TAX.

11 (a) There is levied a tax of eight cents a gallon on all motor  
12 fuel sold or otherwise transferred within the state, except that  
13 (1) the tax on aviation gasoline is four cents a gallon,  
14 (2) the tax on motor fuel used in [ENGINES FOR THE PROPUL-  
15 SION OF] boats and watercraft of all descriptions, excluding that  
16 motor fuel which is to be used for heating and cooking aboard boats  
17 and watercraft, is eight [FOUR] cents a gallon; if a person claims an  
18 exemption for cooking and heating [NONPROPULSION] use under this  
19 paragraph, he shall sign a statement at the time of the sale or  
20 transfer attesting to the fact that the amount of fuel for which he  
21 claims the exemption will be used only for cooking and heating [NON-  
22 PROPULSION USE] aboard a boat or watercraft, but the exemption applies  
23 to no more than 25 per cent of the sale or transfer of motor fuel, and  
24 (3) the tax on all aviation fuel other than gasoline is two  
25 and one-half cents a gallon.

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

27 (b) There is levied a tax of eight cents a gallon on all motor  
28 fuel consumed by a user, except that  
29 (1) the tax on aviation gasoline consumed is four cents a

1 gallon,

2 (2) the tax on motor fuel used in [ENGINES FOR THE PROPUL-  
3 SION OF] boats and watercraft of all descriptions excluding that motor  
4 fuel used for heating and cooking aboard boats and watercraft, is  
5 eight [FOUR] cents a gallon; if a person claims an exemption for  
6 cooking and heating [NONPROPULSION] use under this paragraph, he shall  
7 sign a statement at the time of the sale or transfer [PURCHASE] attest-  
8 ing to the fact that the amount of fuel for which he claims the exemp-  
9 tion will be used only for cooking and heating [NONPROPULSION] use  
10 aboard a boat or watercraft, but the exemption applies to no more than  
11 25 per cent of the sale or transfer of motor fuel, and

12 (3) the tax on all aviation fuel other than gasoline is two  
13 and one-half cents a gallon.

14 \* Sec. 3. AS 43.40.020(b) is amended to read:

15 (b) A person who claims the heating and cooking [NONPROPULSION]  
16 use fuel tax exemption under sec. 10(a)(2) or sec. 10(b)(2) of this  
17 chapter and who uses a portion of the amount of the exempted fuel for  
18 another purpose is guilty of a misdemeanor, and is punishable by a  
19 fine of not more than \$5,000.

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

21 (2) "motor fuel" means fuel used in an engine for the  
22 propulsion of a motor vehicle or [,] aircraft, and fuel used in a boat  
23 or watercraft, or in a stationary engine, machine or mechanical  
24 contrivance which is run [PROPELLED] by an internal combustion motor;  
25 "motor fuel" does not include [EXCEPT ON CONSIGNMENTS OF MOTOR]

26 (A) fuel consigned [OIL] to foreign countries,

27 (B) [EXCEPT MOTOR] fuel [OIL] sold for use in jet  
28 propulsion aircraft operating in flights to foreign countries,

29 (C) [AND EXCEPT] fuel used in stationary power plants

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operating as public utility plants and generating electrical energy for sale to the general public, [OR]

(D) fuel used by nonprofit power associations or corporations for generating electric energy for resale, or

(E) fuel used by charitable institutions;

\* Sec. 5. This Act takes effect July 1, 1976.