

Introduced: 2/11/77
Referred: Resources and Finance

1 THE SENATE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 *FCS HCS C S* SENATE BILL NO. 149 *AM H*
3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST 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 and on [ENGINES FOR THE
15 PROPULSION OF BOATS AND] watercraft of all descriptions is six [FOUR]
16 cents a gallon, but up to 10 per cent of the motor fuel sold or other-
17 wise transferred at any one time is exempt from the tax if it is to be
18 used for cooking or heating and if the person who claims the exemption

19 signs [; IF A PERSON CLAIMS AN EXEMPTION FOR NONPROPULSION USE UNDER
20 THIS PARAGRAPH, HE SHALL SIGN] a statement at the time of the sale or
21 transfer [ATTESTING TO THE FACT] that the amount of fuel for which he
22 claims the exemption will be used only for cooking or heating [NON-
23 PROPULSION USE] aboard a boat or other watercraft, 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

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1 gallon,

2 (2) the tax on motor fuel used in and on [ENGINES FOR THE
3 PROPULSION OF BOATS AND] watercraft of all descriptions is six [FOUR]
4 cents a gallon, but up to 10 per cent of the motor fuel purchased at
5 any one time is exempt from the tax if it is to be used for cooking or
6 heating and if the person who claims the exemption signs [; IF A
7 PERSON CLAIMS AN EXEMPTION FOR NONPROPULSION USE UNDER THIS PARAGRAPH,
8 HE SHALL SIGN] a statement at the time of the purchase [ATTESTING TO
9 THE FACT] that the amount of fuel for which he claims the exemption
10 will be used only for cooking or heating [NONPROPULSION USE] aboard a
11 boat or other watercraft, 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 for any purpose, or in a stationary engine, machine or
24 mechanical contrivance which is run [PROPELLED] by an internal com-
25 bustion motor; "motor fuel" does not include [EXCEPT ON CONSIGNMENTS
26 OF MOTOR]

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

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

1 (C) [AND EXCEPT] fuel used in stationary power plants
2 operating as public utility plants and generating electrical
3 energy for sale to the general public, [OR]

4 (D) fuel used by nonprofit power associations or cor-
5 porations for generating electric energy for resale, or

6 (E) fuel used by charitable institutions;

7 * Sec. 5. This Act takes effect July 1, 1977.
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