

Original sponsor: Rules Committee by
request of the Governor

Offered: 4/14/77
Referred: Finance

1 IN THE SENATE

BY THE RESOURCES COMMITTEE

2 CS FOR SENATE BILL NO. 149 am

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, (2)
14 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 [; IF A PERSON CLAIMS AN EXEMPTION FOR

19 NONPROPULSION USE UNDER THIS PARAGRAPH, HE SHALL SIGN A STATEMENT AT THE

20 TIME OF THE SALE OR TRANSFER ATTESTING TO THE FACT THAT THE AMOUNT OF

21 FUEL FOR WHICH HE CLAIMS THE EXEMPTION WILL BE USED ONLY FOR NONPROPUL-

22 SION USE ABOARD A BOAT OR WATERCRAFT], and

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

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

26 (b) There is levied a tax of eight cents a gallon on all motor
27 fuel consumed by a user, except that

28 (1) the tax on aviation gasoline consumed is four cents a
29 gallon, [.]

1 (2) the tax on motor fuel used in and on [ENGINES FOR THE
2 PROPULSION OF BOATS AND] watercraft of all descriptions is six [FOUR]
3 cents a gallon, but up to 10 per cent of the motor fuel purchased at any
4 one time is exempt from the tax if it is to be used for cooking or
5 heating and up to 30 per cent of the motor fuel sold or otherwise trans-
6 ferred at any one time is exempt from the tax if it is to be used for
7 auxiliary engine power for the purpose of generating electricity, refri-
8 geration, heat, hydraulic power or circulating sea water for brine or
9 live tanks [; IF A PERSON CLAIMS AN EXEMPTION FOR NONPROPULSION USE
10 UNDER THIS PARAGRAPH, HE SHALL SIGN A STATEMENT AT THE TIME OF PURCHASE
11 ATTESTING TO THE FACT THAT THE AMOUNT OF FUEL FOR WHICH HE CLAIMS THE
12 EXEMPTION WILL BE USED ONLY FOR NONPROPULSION USE ABOARD A BOAT OR
13 WATERCRAFT], and

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

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

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

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

23 (2) "motor fuel" means fuel used in an engine for the propul-
24 sion of a motor vehicle or [,] aircraft, and fuel used in a boat or
25 watercraft for any purpose, or in a stationary engine, machine or
26 mechanical contrivance which is run [PROPELLED] by an internal com-
27 bustion motor; "motor fuel" does not include [EXCEPT ON CONSIGNMENTS OF
28 MOTOR]

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

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

3 (C) fuel oil carried aboard a gasoline-powered boat or
4 watercraft and used for heating or cooking,

5 (D) [AND EXCEPT] fuel used in stationary power plants
6 operating as public utility plants and generating electrical
7 energy for sale to the general public, [OR]

8 (E) fuel used by nonprofit power associations or cor-
9 porations for generating electric energy for resale, or

10 (F) fuel used by charitable institutions;

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