

Introduced: 2/6/86
Referred: Finance

1 IN THE SENATE

BY BENNETT BY REQUEST

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SENATE BILL NO. 387

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act relating to taxation of watercraft motor
7 fuel."

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

9 * Section 1. AS 43.40.100 is amended to read:

10 Sec. 43.40.100. DEFINITIONS. In this chapter

11 (1) "dealer" means a person who sells or otherwise trans-
12 fers in this state motor fuel upon which the taxes imposed by this
13 chapter have not been paid;

14 (2) "motor fuel" means fuel used in an engine for the
15 propulsion of a motor vehicle or aircraft, and fuel used in and on
16 watercraft for any purpose, or in a stationary engine, machine or
17 mechanical contrivance that [WHICH] is run by an internal combustion
18 motor; "motor fuel" does not include fuel

19 (A) [FUEL] consigned to foreign countries;

20 (B) [FUEL] sold for use in jet propulsion aircraft
21 operating in flights to foreign countries;

22 (C) [FUEL] used in stationary power plants operating
23 as public utility plants and generating electrical energy for
24 sale to the general public;

25 (D) [FUEL] used by nonprofit power associations or
26 corporations for generating electric energy for resale;

27 (E) [FUEL] used by charitable institutions;

28 (F) that [FUEL WHICH] is at least 10 percent alcohol
29 by volume;

1 (G) [FUEL] sold or transferred between qualified deal-
2 ers;

3 (H) [FUEL] sold to federal, state, and local
4 government agencies for official use;

5 (I) [FUEL] used in stationary power plants that
6 generate electrical energy for private residential consumption;

7 (J) [FUEL] used to heat private or commercial
8 buildings or facilities;

9 (K) [FUEL] used for other nontaxable purposes as pre-
10 scribed by regulations adopted by the department; [OR]

11 (L) [FUEL] used in stationary power plants of 100 kw
12 or less that generate electrical power for commercial enterprises
13 not for resale; or

14 (M) that is brought into the state in fuel storage
15 tanks on a watercraft for the purpose of operating the water-
16 craft, one or more auxiliary engines on the watercraft, or the
17 auxiliary watercraft carried by the watercraft;

18 (3) "qualified dealer" means a person who (A) refines, (B)
19 imports, (C) manufactures, (D) produces, (E) compounds, or (F) whole-
20 sales motor fuel, who satisfies criteria for qualified dealers estab-
21 lished by the department by regulation and who obtains a qualified
22 dealer's license from the department;

23 (4) "user" means a person consuming or using motor fuel,
24 who either

25 (A) purchases the fuel out of the state and ships it
26 into the state for personal use in the state;

27 (B) manufactures the fuel in the state; or

28 (C) purchases or receives fuel in the state that is
29 not taxed at the time of purchase or receipt or is taxed at a

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rate that is less than the rate prescribed by AS 43.40.010.