

CS FOR HOUSE BILL NO. 453(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 3/16/94

Referred: State Affairs, Finance

Sponsor(s): REPRESENTATIVE G. DAVIS

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing, for purposes of the levy and collection of the motor fuel
2 tax and for a limited period, a different tax levy on residual fuel oil used in
3 and on certain watercraft; and providing for an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * Section 1. (a) For purposes of calculating the tax due under AS 43.40,
6 (1) notwithstanding AS 43.40.010(a)(2), on and after the effective date of this
7 Act and until January 1, 2000, the rate of the tax that is levied and collected on residual fuel
8 oil sold or transferred in the state and used in and on passenger watercraft is 1.5 cents a
9 gallon;

10 (2) notwithstanding AS 43.40.010(b)(2), on and after the effective date of this
11 Act and until January 1, 2000, the rate of the tax that is levied and collected on residual fuel
12 oil consumed by a user and used in and on passenger watercraft is 1.5 cents a gallon.

13 (b) In (a) of this section,

14 (1) "passenger watercraft" means watercraft that are capable of carrying

1 passengers for hire and that are principally used for that purpose in interstate or international
2 commerce;

3 (2) "residual fuel oil" means the heavy refined hydrocarbon otherwise known
4 as number 6 fuel oil that is the residue from crude oil after refined petroleum products have
5 been extracted by the refining process and that may be consumed or used only when sufficient
6 heat is provided to the oil to reduce its viscosity rated by kinematic unit and to give it fluid
7 properties sufficient for pumping and combustion.

8 * Sec. 2. This Act takes effect immediately under AS 01.10.070(c).