

CS FOR HOUSE BILL NO. 509(L&C)

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 3/21/94

Referred: State Affairs, Finance

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to the tax on transfers or consumption of motor fuel, and to
2 the proceeds from the tax; and providing for an effective date."

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

4 * **Section 1. AS 43.40.010(a) is amended to read:**

5 (a) There is levied a tax of 17 [EIGHT] cents a gallon on all motor fuel sold
6 or otherwise transferred within the state, except that

7 (1) the tax on aviation gasoline is four cents a gallon,

8 (2) the tax on motor fuel used in and on watercraft of all descriptions
9 is five cents a gallon, and

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

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

13 (b) There is levied a tax of 17 [EIGHT] cents a gallon on all motor fuel
14 consumed by a user, except that

- 1 (1) the tax on aviation gasoline consumed is four cents a gallon,
2 (2) the tax on motor fuel used in and on watercraft of all descriptions
3 is five cents a gallon, and
4 (3) the tax on all aviation fuel other than gasoline is two and one-half
5 cents a gallon.

6 * Sec. 3. AS 43.40.010(g) is repealed and reenacted to read:

7 (g) The proceeds of the revenue from the tax on all motor fuels, except as
8 provided in (e), (f), (j), and (m) of this section, shall be deposited in a special highway
9 fuel tax account in the state general fund. The legislature may use the annual
10 estimated balance of the account to make appropriations for expenditure by the
11 Department of Transportation and Public Facilities directly or as matched with
12 available federal-aid highway money for maintenance of highways, construction of
13 highway projects and ferries included in the program provided for in AS 19.10.150,
14 including approaches, appurtenances, and related facilities, and acquisition of rights-of-
15 way or easements, and for other highway costs including surveys, administration, and
16 related matters.

17 * Sec. 4. AS 43.40.010 is amended by adding a new subsection to read:

18 (m) The proceeds of the revenue from one cent of the 17-cent tax imposed by
19 (a) and (b) of this section shall be deposited in a special storage tank assistance
20 account in the state general fund. The legislature may appropriate from this account
21 to the storage tank assistance fund established by AS 46.03.410.

22 * Sec. 5. AS 43.40.030(a) is amended to read:

23 (a) Except as specified in AS 43.40.010(j), a person who uses motor fuel to
24 operate an internal combustion engine is entitled to a refund of 15 [SIX] cents a gallon
25 if

- 26 (1) the tax on the motor fuel has been paid;
27 (2) the motor fuel is not aviation fuel, or motor fuel used in or on
28 watercraft; and
29 (3) the internal combustion engine is not used in or in conjunction with
30 a motor vehicle licensed to be operated on public ways.

31 * Sec. 6. This Act takes effect July 1, 1994.