

SENATE BILL NO. 327

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 2/14/94
Referred: TRA, JUD, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act amending the motor fuel tax to establish a different tax levy on
2 residual fuel oil used in and on watercraft; 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 eight cents a gallon on all motor fuel sold or
6 otherwise transferred within the state, except that

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

8 (2) the tax on

9 (A) residual fuel oil used in and on watercraft of all
10 descriptions is one cent a gallon; and

11 (B) motor fuel other than residual fuel oil used in and on
12 watercraft of all descriptions is five cents a gallon; [,] and

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

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

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

4 (1) the tax on aviation gasoline consumed is four cents a gallon; [,]

5 (2) the tax on

6 (A) residual fuel oil used in and on watercraft of all
7 descriptions is one cent a gallon; and

8 (B) motor fuel other than residual fuel oil used in and on
9 watercraft of all descriptions 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. 3. AS 43.40.100 is amended by adding a new paragraph to read:

13 (5) "residual fuel oil" means the heavy refined hydrocarbon that is the
14 residue from crude oil after refined petroleum products have been extracted by the
15 refining process and that may be consumed or used only when sufficient heat is
16 provided to the oil to reduce its viscosity and to give it fluid properties sufficient for
17 pumping and combustion.

18 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).