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HOUSE JOURNAL SUPPLEMENT

April 17, 1986

No. 118

HB 342

file

Page 1 of 2

REQUEST

Bill/Resolution No: HB 342 (1)
 Title: An Act Repealing Taxes on Motor Fuel
 Sponsor: Mauro
 Requestor: Transportation and Finance
 Date of Request: April 11, 1986

Revision Date 4/11/86

FISCAL DETAIL

Agency Affected: Department of Revenue
 BRU: Audit Division

Components:
Audit Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
<u>OPERATING</u>						
100 PERSONAL SERVICES	-0-	{33.1}	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	{3.3}	-0-	-0-	-0-	-0-
400 SUPPLIES	-0-	{.1}	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
800 MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
<u>TOTAL OPERATING</u>	-0-	{37.0}	-0-	-0-	-0-	-0-
<u>CAPITAL</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>REVENUE</u>	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	{37.0}	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-
<u>TOTAL</u>	-0-	{37.0}	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	{1}	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: Please see attached.

Prepared By: Steven E. Kettel
 Division: Audit Division

Phone: 665-2320
 Date: April 11, 1986

Approved by Commissioner: [Signature]
 Agency: Revenue

Date: 6/11/86

Analysis for HE 342: (1) Page 2 of 2

Principal note is assuming that the law will become effective June 30, 1986.

If enacted, operating expenses within the Audit Division would decrease as follows:

Personal Services \$33.1: One full time Tax Examiner II position would be eliminated if the motor fuel tax program was abolished.

Contractual \$3.8: The Audit Division incurs annual expenses for forms design and publication, postage; and in drafting and promulgating regulations.

Supplies \$.1: To handle necessary supplies used by incumbent position for processing returns, etc.

HB 342

REQUEST

Bill/Resolution No: HC 342 (2)
 Title: An Act Repealing Taxes on Motor Fuels
 Sponsor: Marrou
 Requestor: Transportation/Finance
 Date of Request: April 10, 1986

FISCAL DETAIL

Agency Affected: Revenue
 SRU: _____
 Components: _____

EXPENDITURES/REVENUES: (Millions of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	(35.1)	(35.2)	(35.7)	(35.7)	(35.7)	(35.7)

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

Bill repeals taxes on 3 categories of fuel - aviation, highway and marine.

Prepared By: David Tonkovich
 Division: Revenue Research
 Approved by Commissioner: William B. Steiner
 Agency: Department of Revenue

Phone: 465-2173
 Date: April 14, 1986
 Date: April 14, 1986

Revision Date: 2/20/86

REQUEST

Bill/Resolution No.: HB 482
 Title: Protection of Natural Rangelands

 Sponsor: Representative Fuller
 Requestor: House Resources
 Date of Request: 2/17/86

FISCAL DETAIL

Agency Affected: Natural Resources
 BRU: Land-Water Management
Agriculture Management

 Components: Public Use/Agriculture
Management

EXPENDITURES/REVENUES : (Thousands of Dollars)

OPERATING	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0	0	0	0	0	0

CAPITAL	0	0	0	0	0	0
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REVENUE	0	0	0	0	0	0
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FUNDING : (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER						
TOTAL	0	0	0	0	0	0

POSITIONS :

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS : Attach a separate page if necessary

No fiscal impact to the department is anticipated. Identification of rangelands will occur during the department's regular area planning process. The department assumes that eventual designation of state grazing preserves will not require additional activity for fire protection or preserve management. The department currently issues grazing leases and permits for activity on state land. This permitting and leasing activity would be employed in state grazing preserves.

Prepared by: Michael E. Vediner Phone: 465-2400
 Division: Land & Water Management Date: 2/20/86

Approved by Commissioner: Thomas D. Arnold, Deputy Date: 2/24/86
 Agency: Natural Resources

COMMITTEE REPORT
HOUSE

4/19

(7)

FURTHER: FINANCE

3/29/85

Date: _____

The Committee on TRANSPORTATION has had HB 342

"An Act repealing taxes on motor fuels."

under consideration and recommends:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Bill Smith

ALM

Mr. [unclear]

Mike [unclear]

[Signature]

CHAIRMAN

HB 338

HOUSE BILL NO. 338 by Thompson, entitled:

"An Act establishing a state lottery."

was read the first time and referred to the Labor & Commerce, Judiciary and Finance Committees.

HB 339

HOUSE BILL NO. 339 by Marrou, entitled:

"An Act relating to state oil and gas property tax credit limitations; and providing for an effective date."

was read the first time and referred to the House Special Committee on Oil & Gas and the Community & Regional Affairs and Finance Committees.

HB 340

HOUSE BILL NO. 340 by Marrou, entitled:

"An Act repealing a continuing appropriation for power cost equalization; and providing for an effective date."

was read the first time and referred to the Community & Regional Affairs, Labor & Commerce, and Finance Committees.

HB 341

HOUSE BILL NO. 341 by Marrou, entitled:

"An Act relating to nominations for state office by petition."

was read the first time and referred to the State Affairs and Judiciary Committees.

HB 342

HOUSE BILL NO. 342 by Marrou, entitled:

"An Act repealing taxes on motor fuels."

was read the first time and referred to the Transportation and Finance Committees.

HB 343

HOUSE BILL NO. 343 by Marrou, entitled:

"An Act relating to general obligation bonds issued by a municipality."

was read the first time and referred to the Community & Regional Affairs, Judiciary and Finance Committees.

HB 344

HOUSE BILL NO. 344 by Marrou, entitled:

"An Act relating to elections."

was read the first time and referred to the State Affairs, Judiciary and Finance Committees.

CONSIDERATION OF THE DAILY CALENDARTHIRD READING OF SENATE BILLSCSSB 152(Res)

Representative Pignalberi brought up reconsideration of COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 152 (Resources) (relating to extension and renewal of certain sales of state royalty oil; effective date).

CSSB 152(Res) was read the third time.

The question to be reconsidered: "Shall CSSB 152(Res) pass the House?" The roll was taken with the following result:

CSSB 152(RES) RECONSIDERATION

Yeas:	33	Adams, Binkley, Boucher, Cato, Clocksin, Collins, Davis, Duncan, Frank, Fuller, Gruenberg, Grussendorf, Herrmann, Hurley, Jenkins, Koponen, Larson, Marrou, Miller, M.M., Miller, M.W., Navarre, Pearce, Pettyjohn, Phillips, Pignalberi, Pourchot, Rieger, Ringstad, Sund, Taylor, Thompson, Uehling, Wallis
Nays:	6	Cetten, Furnace, Goll, Hanley, Martin, Szymanski
Excused:	1	Shultz
Absent:	0	

Navarre changed from "nay" to "yea".

Alaska State Legislature

COMMITTEES:

Committee on Community and Regional Affairs
Committee on Transportation
Special Committee on Oil and Gas
Special Committee on Fisheries
Finance Sub-committee on Fish and Game



Andre Marrou
Representative

District 5

Kena	Sterling
Soldotna	Anchor Point
Homer	Port Graham
Seldovia	English Bay
Kachemak	Nikolaevsk
Kasilof	Halibut Cove
Sinukluk	Clam Gulch

April 17, 1986

To: Chairman Bette Cato, and Members of the House Transportation Committee
From: Andre Marrou, Representative 

Subject: HB 342, Repeal Motor Fuel Tax, AS 43.40

This bill will save Alaskan consumers \$37,000,000 per year.

Fuel prices will immediately go down by:

8c per gallon for car, pickup and truck gasoline;
4c per gallon for airplane gasoline;
2½c per gallon for jet fuel (airplane and helicopter);
5c per gallon for marine fuel (boats and ships).

The high cost of transportation is a major impediment to the commerce of this State. The motor fuel tax is a direct contributor to the high cost of transportation. Injecting \$37,000,000 back into our private economy will bring the price of transportation down further and stimulate our economy. This will increase our opportunities for business with the rest of the country.

A Juneau Representative regularly complains about the high cost of gasoline. We recently passed HCR 36 asking the Governor to investigate the high cost of air travel in the State. Tourism and marine industries are greatly affected by fuel prices.

Passing this legislation would go a long way towards solving these problems.

Please support HB 418.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 4/11/86

REQUEST

Bill/Resolution No: HB 342
 Title: An Act Repealing Taxes on Motor Fuel
 Sponsor: Marrou
 Requestor: Transportation and Finance
 Date of Request: April 11, 1986

FISCAL DETAIL

Agency Affected: Department of Revenue
 BRU: Audit Division
 Components:
Audit Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
<u>OPERATING</u>						
100 PERSONAL SERVICES	-0-	[33.1]	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	[3.8]	-0-	-0-	-0-	-0-
400 SUPPLIES	-0-	[.1]	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
800 MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
<u>TOTAL OPERATING</u>	-0-	[37.0]	-0-	-0-	-0-	-0-
<u>CAPITAL</u>	-0-	-0-	-0-	-0-	-0-	-0-
<u>REVENUE</u>	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	[37.0]	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-
<u>TOTAL</u>	-0-	[37.0]	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	[1]	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: Please see attached.

Prepared By: Steven E. Kettel
 Division: Audit Division

Phone: 465-2320
 Date: April 11, 1986

Approved by Commissioner: Mary W. Mendenhall
 Agency: Revenue

Date: April 11, 1986

Distribution (by Agency preparing fiscal note):

Legislative Finance
Legislative Sponsor
Requestor
Office of Management and Budget
Impacted Agency(ies)

Analysis for HB 342:

Fiscal note is assuming that the law will become effective June 30, 1986.

If enacted, operating expenses within the Audit Division would decrease as follows:

Personal Services \$33.1: One full time Tax Examiner II position would be eliminated if the motor fuel tax program was abolished.

Contractual \$3.8: The Audit Division incurs annual expenses for forms design and publication, postage; and in drafting and promulgating regulations.

Supplies \$.1: To handle necessary supplies used by incumbent position for processing returns, etc.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: _____

REQUEST

Bill/Resolution No: HB 342
Title: An Act Repealing Taxes on Motor Fuels

Sponsor: Marrou
Requestor: Transportation/Finance
Date of Request: April 10, 1986

FISCAL DETAIL

Agency Affected: Revenue
BRU: _____

Component: _____

EXPENDITURES/REVENUES: (Millions of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	(35.1)	(35.2)	(35.7)	(35.7)	(35.7)	(35.7)

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page if necessary

Bill repeals taxes on 3 categories of fuel - aviation, highway and marine.

Prepared By: David Tonkovich
Division: Revenue Research

Phone: 465-2173
Date: April 14, 1986

Approved by Commissioner: *Walter H. Stedman*
Agency: Department of Revenue

Date: April 14, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

SECTIONS WITHIN CHAPTER 70

30 RETURNS ON NONHIGHWAY USE
 35 OTHER REFUNDS + CREDITS
 50 REFUND CLAIM BY AFFIDAVIT
 60 SEPARATE INVOICES

70 REFUND WARRANTS
 80 EXAMINATION RECORDS
 85 PRESERVATION OF RECORDS
 100 DEFINITIONS

STATION - DUBUQUE
 143-40-610

143-40-610 DOCUMENTS

STATION SEC. 40-40-201
 WATCH LINE

TAX ON TRANSFERS OR CONSUMPTION OF MOTOR FUEL AND EXPENDITURE OF PROCEEDS.

(A) THERE IS LEVIED A TAX OF EIGHT CENTS A GALLON ON ALL MOTOR FUEL SOLD OR OTHERWISE TRANSFERRED WITHIN THE STATE, EXCEPT THAT

- (1) THE TAX ON AVIATION GASOLINE IS FOUR CENTS A GALLON,
- (2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL DESCRIPTIONS IS FIVE CENTS A GALLON, AND
- (3) THE TAX ON ALL AVIATION FUEL OTHER THAN GASOLINE IS TWO AND ONE-HALF CENTS A GALLON.

(B) THERE IS LEVIED A TAX OF EIGHT CENTS A GALLON ON ALL MOTOR FUEL CONSUMED BY A USER, EXCEPT THAT

- (1) THE TAX ON AVIATION GASOLINE CONSUMED IS FOUR CENTS A GALLON,
- (2) THE TAX ON MOTOR FUEL USED IN AND ON WATERCRAFT OF ALL DESCRIPTIONS IS FIVE CENTS A GALLON, AND
- (3) THE TAX ON ALL AVIATION FUEL OTHER THAN GASOLINE IS TWO AND ONE-HALF CENTS A GALLON.

(C) EVERY DEALER WHO SELLS OR OTHERWISE TRANSFERS MOTOR FUEL IN THE STATE SHALL COLLECT THE TAX AT THE TIME OF SALE, AND REMIT THE TOTAL TAX COLLECTED DURING EACH CALENDAR MONTH OF EACH YEAR TO THE DEPARTMENT BY THE LAST DAY OF EACH SUCCEEDING MONTH. EVERY USER SHALL LIKEWISE REMIT THE TAX ACCRUED ON MOTOR FUEL ACTUALLY USED BY THE USER DURING EACH MONTH. IF THE MONTHLY TAX RETURN IS TIMELY FILED, ONE PERCENT OF THE TOTAL MONTHLY TAX DUE, LIMITED TO A MAXIMUM OF \$100, MAY BE DEDUCTED AND RETAINED TO COVER THE EXPENSE OF ACCOUNTING AND FILING THE MONTHLY TAX RETURN. AT THE TIME THE REMITTANCE IS MADE, EACH DEALER OR USER SHALL SUBMIT A STATEMENT TO THE DEPARTMENT SHOWING ALL FUEL WHICH THE DEALER OR USER HAS DISTRIBUTED OR USED DURING THE MONTH.

(D) REPEALED, SEC. 3 CH 166 SLA 1976.E

(E) SIXTY PER CENT OF THE PROCEEDS OF THE REVENUE FROM THE TAXES ON AVIATION FUEL, EXCLUDING THE AMOUNT DETERMINED TO HAVE BEEN SPENT BY THE STATE IN ITS COLLECTION, SHALL BE REFUNDED TO A MUNICIPALITY OWNING AND OPERATING OR LEASING AND OPERATING AN AIRPORT IN THE PROPORTION THAT THE REVENUE WAS COLLECTED AT THE MUNICIPAL AIRPORT. ALL OTHER PROCEEDS OF THE TAXES ON AVIATION FUEL SHALL BE PAID INTO A SPECIAL AVIATION FUEL TAX ACCOUNT IN THE STATE GENERAL FUND. THE LEGISLATURE MAY APPROPRIATE FUNDS FROM THIS ACCOUNT FOR AVIATION FACILITIES.

(F) THE PROCEEDS FROM THE REVENUE FROM THE TAX ON MOTOR FUEL USED IN BOATS AND WATERCRAFT OF ALL DESCRIPTIONS SHALL BE DEPOSITED IN A SPECIAL WATERCRAFT FUEL TAX ACCOUNT IN THE GENERAL FUND. THE LEGISLATURE MAY APPROPRIATE FROM THIS ACCOUNT FOR WATER AND HARBOR FACILITIES.

(G) THE PROCEEDS OF THE REVENUE FROM THE TAX ON ALL MOTOR FUEL, EXCEPT AS PROVIDED IN (E), (F) AND (J) OF THIS SECTION, SHALL BE DEPOSITED IN A SPECIAL HIGHWAY FUEL TAX ACCOUNT IN THE

STATE GENERAL FUND. THE LEGISLATURE MAY APPROPRIATE FUNDS FROM
IT FOR EXPENDITURE IN THE DEPARTMENT OF TRANSPORTATION AND PUBLIC
FACILITIES AND IN OR OUT OF STATE WITH AVAILABLE FUNDS OF
MONEY FROM THE GENERAL FUND OR HIGHWAY CONTRACTS OR
HIGHWAY TRUST FUNDS OR FUNDS INCURRED IN THE PROCESS PROVIDED FOR
IN THIS CHAPTER. INCLUDING APPROPRIATE APPROPRIATIONS FOR THE
FACILITIES AND ACQUISITION OF RIGHTS-OF-WAY OF STATEWAYS AND
OTHER HIGHWAY USES INCLUDING SURVEY, ADMINISTRATION AND
RELATED MATTERS. ALL DEPARTMENTS OF THE STATE GOVERNMENT
AUTHORIZED TO SPEND FUNDS COLLECTED FROM TAXES IMPOSED BY THIS
CHAPTER SHALL, WHEN FEASIBLE, ALL CONSTRUCTION OF
HIGHWAYS AND RELATED MATTERS CONTRACTS UNDER THE PROJECTS HAVE BEEN
ADVANCED BY COMPETITIVE BIDS, EXCEPT WHEN, WHEN PRACTICABLE,
ARRANGEMENTS SHALL BE MADE WITH POLITICAL SUBDIVISIONS TO CARRY
OUT THE CONSTRUCTION OR RECONSTRUCTION PROJECTS. IF IT IS NOT
FEASIBLE FOR THE WORK TO BE PERFORMED BY STATE ENGINEER'S
FORCE, THE COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES
MAY CONTRACT WITH PROFESSIONAL DESIGNERS AND CONTRACTORS FOR
THE DESIGN AND CONSTRUCTION OF SUCH PROJECTS. THE COMMISSIONER
MAY FROM TIME TO TIME CONTRACT WITH PROFESSIONAL ENGINEERS FROM
AVAILABLE FOR THE WORK THE CONTRACTS SHALL BE ENTERED INTO ON A
NEGOTIATED BASIS.

(10) ALL MOTOR FUEL TAX RECEIPTS SHALL BE PAID INTO THE
GENERAL FUND AND DISTRIBUTED TO THE PROPER ACCOUNTS IN THE
GENERAL FUND. VALID MOTOR FUEL TAX REFUND CLAIMS SHALL BE PAID
FROM THE MOTOR FUEL TAX ACCOUNT TO THE GENERAL FUND.

(11) WITHIN 90 DAYS AFTER THE LEGISLATURE CONVENES THE
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES SHALL SUBMIT
AN ANNUAL BUDGET COVERING ANTICIPATED REVENUES AND THEIR
EXPENDITURE FOR THE CONSIDERATION AND APPROVAL BY THE
LEGISLATURE. THE BUDGET SHALL COVER ALL MONEY COLLECTED OR
ANTICIPATED TO BE COLLECTED UNDER THIS CHAPTER FOR THE YEAR
FOLLOWING THE REJOURNMENT OF EACH REGULAR SESSION OF THE
LEGISLATURE.

(12) THE PROCEEDS FROM THE TAX ON MOTOR FUEL USED IN SNOW
VEHICLES ANY, UNLESS A TAX REFUND IS APPLIED FOR UNDER AS
43.46.040, OTHER INTERNAL COMBUSTION ENGINES NOT USED IN OR IN
CONJUNCTION WITH A MOTOR VEHICLE LICENSED TO BE OPERATED ON
PUBLIC ROADS SHALL BE DEPOSITED IN A SPECIAL NONPUBLIC HIGHWAY USE
ACCOUNT IN THE GENERAL FUND. THE LEGISLATURE MAY APPROPRIATE
FROM THIS ACCOUNT TO THE DEPARTMENT OF TRANSPORTATION AND PUBLIC
FACILITIES FOR TRAIL STAKING AND SHELTER CONSTRUCTION AND
MAINTENANCE.

(13) THE TAX ON THE TRANSFER OR CONSUMPTION OF MOTOR FUEL
PROVIDED FOR IN THIS SECTION DOES NOT APPLY TO LIQUIDATED
PETROLEUM OIL.

(14) IF A DEALER HAS A REASONABLE BELIEF AT THE TIME OF SALE
OR TRANSFER THAT FUEL THAT IS SOLD OR TRANSFERRED IS NOT TO BE
USED AS MOTOR FUEL, THE DEALER NEED NOT COLLECT THE MOTOR FUEL
TAX. IF THE TAX IS NOT COLLECTED, THE DEALER SHALL OBTAIN A
CERTIFICATE OF USE FROM THE BUYER OR TRANSFEREE STATING THAT THE
FUEL THAT WAS SOLD OR WILL BE PURCHASED OR RECEIVED IS NOT
INTENDED TO BE USED AS MOTOR FUEL. THE DEPARTMENT MAY NOT COLLECT
THE MOTOR FUEL TAX FROM A DEALER FOR FUEL FOR WHICH A CERTIFICATE
OF USE HAS BEEN PROPERLY OBTAINED UNDER THIS SUBSECTION. A
CERTIFICATE OF USE IS NOT REQUIRED FOR FUEL FOR ANY DOMESTIC

PURPOSE IS A SERIES OF MULTIPLE UNIT PRIVATE SELLING, FINANCIAL
SUPPORT GROUPS, OR SIMILAR WHICH IS AT LEAST 50 PERCENT HELD BY
INDIVIDUALS WHOSE TOTAL INVESTMENT IN ALL SUCH GROUPS DOES NOT EXCEED \$25,000.00. EXCEPT CERTIFICATION OF
THESE GROUPS UNDER AN INVESTMENT PLAN WILL BE DETERMINED BY THE
DEPARTMENT. THE DEPARTMENT SHALL RETAIN A COPY OF EACH CERTIFICATE
IF ONE OBTAINED UNDER THIS INVESTMENT PLAN OR MINORITY OR SUBSTANTIAL
INTEREST BY THE DEPARTMENT. THE FORM OF A CERTIFICATE OF REGISTRATION
AS REQUIRED BY REGULATION ISSUED BY THE DEPARTMENT.

END OF DOCUMENT

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date 4-2-85

REQUEST

Bill/Resolution No: HB 342
 Title: An Act Repealing Taxes on Motor Fuel
 Sponsor: Marrou
 Requestor: Transportation & Finance
 Date of Request: March 30, 1985

FISCAL DETAIL

Agency Affected: Department of Revenue
 Program Category Affected: Collection and Management
 BRU, Program of Subprogram(s) Affected: Audit Division

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	-0-	[33.1]	-0-	-0-	-0-	-0-
200 TRAVEL	-0-	-0-	-0-	-0-	-0-	-0-
300 CONTRACTUAL	-0-	[3.8]	-0-	-0-	-0-	-0-
400 SUPPLIES	-0-	[.1]	-0-	-0-	-0-	-0-
500 EQUIPMENT	-0-	-0-	-0-	-0-	-0-	-0-
600 LANDS & STRUCTURES	-0-	-0-	-0-	-0-	-0-	-0-
700 GRANTS, CLAIMS	-0-	-0-	-0-	-0-	-0-	-0-
800 MISCELLANEOUS	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL OPERATING	-0-	[37.0]	-0-	-0-	-0-	-0-
CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
REVENUE	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	[37.0]	-0-	-0-	-0-	-0-
FEDERAL FUNDS	-0-	-0-	-0-	-0-	-0-	-0-
OTHER	-0-	-0-	-0-	-0-	-0-	-0-
TOTAL	-0-	[37.0]	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME	-0-	[1]	-0-	-0-	-0-	-0-
PART-TIME	-0-	-0-	-0-	-0-	-0-	-0-
TEMPORARY	-0-	-0-	-0-	-0-	-0-	-0-

ANALYSIS: Please see attached.

Prepared By: Martin J. Richard, Director
 Division: Audit Division

Phone: 465-2320

Date: April 2, 1985

Approved by Commissioner: Mary P. Stedahl
 Agency: Revenue

Date: 4/2/85

Distribution (by Agency preparing fiscal note):

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Requestor

Office of Management and Budget

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Analysis for HB 342:

Fiscal note is assuming that the law will become effective June 30, 1985.

If enacted, operating expenses within the Audit Division would decrease as follows:

Personal Services \$33.1: One full time Tax Examiner II position would be eliminated if the motor fuel tax program was abolished.

Contractual \$3.8: The Audit Division incurs annual expenses for forms design and publication, postage; and in drafting and promulgating regulations.

Supplies \$.1: To handle necessary supplies used by incumbent position for processing returns etc.

STATE OF ALASKA 1985 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date

REQUEST
Bill/Resolution No: HB 342
Title: An Act Repealing Taxes on
Motor Fuels
Sponsor: Marrou
Requestor: House Transportation
Date of Request: March 30, 1985

FISCAL DETAIL
Agency Affected: REVENUE
Program Category Affected:
BRU, Program of Subprogram(s) Affected:

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 85	FY 86	FY 87	FY 88	FY 89	FY 90
OPERATING						
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 SUPPLIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LANDS & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	(34,800)	(34,900)	(35,000)	(35,000)	(35,000)

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: Attach a separate page for analysis.

1. Assumes bill takes effect at the beginning of FY 86.
2. Assumes continuation of present rate structure.
3. Forecasted figures based on March 1985 Revenue Forecast.

Prepared By: David Tonkovich BT
 Division: Revenue Research Section

Phone: 465-2173
 Date: April 1, 1985

Approved by Commissioner: [Signature]
 Agency: Revenue

Date: 4/3/85

Distribution (by Agency preparing fiscal note):

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- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)