

BUDGET ADVISORY COMMISSION MOTOR FUEL EXCISE TAX AMENDMENT RESOLUTION

The Anchorage Municipal Code (AMC) Chapter 12.55 authorizes the collection of Excise Tax collection of Motor Fuel. The initial effective date for the motor Fuel Tax was March 1, 2018. The tax on Motor Fuel began at \$0.10 per Gallon and is reviewed for adjustment ever 5 Years. The purpose of this motor fuel tax revenue will be used to diversify Municipal Tax revenue and to provide immediate tax relief to property owners in the Municipality. (AM 734-2017.

According to the Federation of Tax Administrators, "Motor Fuel Taxes make up the financial base for nation's infrastructure of roads and highways."

Whereas: The condition of the Municipality Road System is in a deteriorating condition which is reflected in the 2022 Budget Audit Report. The 2023 and 2024 Audit Reports will reflect the conditions in their reports when completed.

Whereas; The excise fuels tax generates and estimated \$14.5 annual tax revenues, and

Whereas; The tax to be reallocated to a Separate Fund outside of the Budget such as Room Tax and others.

Whereas; The Tax Revenue generated by the excise tax on motor fuel be dedicated to the maintenance, repair or rehabilitation of the road system operated and maintained by the Municipality Anchorage.

Passed and approved on this date_____:

Budget Advisory Commission, Chair