



FOR IMMEDIATE RELEASE

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MUNICIPALITIES EXEMPT FROM THE REFINED FUEL SURCHARGE

On July 1, 2015, a surcharge of \$0.0095 per gallon on refined fuel sold, transferred, or used in Alaska was enacted into law when HB 158 was passed by the 29th legislature.

The Alaska Department of Administration, Office of Administrative Hearings (OAH) recently found that AS 29.71.030 prohibits the surcharge from being levied against municipalities since the statute language did not expressly state that municipalities would be subject to the surcharge.¹ The Alaska Department of Revenue, Tax Division will follow the OAH decision allowing municipalities to be exempt from the refined fuel surcharge.

A municipality may apply for a refund of the surcharge paid on a form prescribed by the department.² The claim for refund must include the original invoices issued to the municipality, and the invoices must show the surcharge charged. The department will accept refund applications from municipalities for purchases made prior to the date of this Press Release for up to one year from the date of this Press Release.

¹ See In the Matter of City of Nome dba Nome Joint Utility System, OAH No. 17-0449-TAX.

² <http://tax.alaska.gov/programs/programs/forms/index.aspx?60210>.