



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Revenue

COMMISSIONER'S OFFICE

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June 12, 2025

The Honorable Mike Dunleavy
Governor
State of Alaska
P.O. Box 110001
Juneau, Alaska 99811-0001

Dear Governor Dunleavy,

The purpose of this letter is to provide you with an updated revenue outlook to aid with budget decisions. The market has changed significantly since the Spring 2025 Revenue Forecast was released in March 2025.

The Department of Revenue has prepared an internal revenue outlook for the current and next fiscal year (for FY 2025 and FY 2026), based on the most recent information available as of May 29, 2025. While this update does not incorporate the level of rigor and detail that we put into the official spring and fall revenue forecasts, it does give an indication of how revenues are expected to perform based on the most current available information.

The updated revenue outlook is based on ANS oil prices averaging \$73.76 per barrel for FY 2025 and \$64.23 for FY 2026. The oil price outlook is based on the most recent futures market prices.

In comparison to the DOR's Spring 2025 Revenue Forecast, which was released in March 2025, the ANS oil price outlook has decreased by \$0.72 per barrel for FY 2025 and decreased by \$3.77 per barrel for FY 2026. The Unrestricted General Fund revenue outlook for FY 2025 has increased by \$19 million from the spring forecast, while the outlook for FY 2026 has decreased by \$222 million. The reasons for the lower FY 2026 outlook are the lower oil price expectation and reduced expectations for corporate income tax collections.

It is important to note that this updated revenue outlook represents one plausible scenario within a range of potential outcomes.

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam Crum", with a long horizontal flourish extending to the right.

Adam Crum
Commissioner

FY 2026 Unrestricted General Fund Revenue (\$millions)		
Current Futures Market Scenario		
Spring Forecast (3/12/2025)	Revised Forecast (05/29/2025)	Difference
\$ 68.00	\$ 64.23	\$ (3.77)
\$ 2,329.7	\$ 2,107.6	\$ (222.1)
\$ 6,128.6	\$ 5,906.5	\$ (222.1)
\$60/ bbl ANS Scenario		
Spring Forecast (3/12/2025)	Revised Forecast (05/29/2025)	Difference
\$ 68.00	\$ 60.00	\$ (8.00)
\$ 2,329.7	\$ 1,978.8	\$ (350.9)
\$ 6,128.6	\$ 5,777.7	\$ (350.9)
\$63/ bbl ANS Scenario		
Spring Forecast (3/12/2025)	Revised Forecast (05/29/2025)	Difference
\$ 68.00	\$ 63.00	\$ (5.00)
\$ 2,329.7	\$ 2,071.0	\$ (258.7)
\$ 6,128.6	\$ 5,869.9	\$ (258.7)
\$65/ bbl ANS Scenario		
Spring Forecast (3/12/2025)	Revised Forecast (05/29/2025)	Difference
\$ 68.00	\$ 65.00	\$ (3.00)
\$ 2,329.7	\$ 2,132.5	\$ (197.2)
\$ 6,128.6	\$ 5,931.4	\$ (197.2)