

Adam Crum  
Commissioner

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Department of  
Revenue

Juneau, Alaska

STATE OF ALASKA

PRESS RELEASE

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## Department of Revenue releases Spring 2023 Revenue Forecast

**Tuesday, March 21, 2023 (Anchorage)** – Department of Revenue Commissioner Adam Crum is pleased to announce the release of the Spring 2023 Revenue Forecast. The Revenue Forecast includes the Department’s updated outlook for oil price, oil production, and state revenue.

Unrestricted General Fund (UGF) revenue, before accounting for the transfer from the Permanent Fund Earnings Reserve, is forecast to be \$3.6 billion for fiscal year (FY) 2023 and \$2.7 billion for FY 2024.

The Permanent Fund is set to transfer \$3.4 billion to the General Fund for FY 2023 and \$3.5 billion for FY 2024. These amounts include funds that are available for general government spending and the payment of dividends to Alaskans. The Permanent Fund transfer remains a large source of funding to the General Fund, contributing 44% of UGF for FY 2022 and projected to contribute a range of 48% to 64% for each of the next ten years.

In FY 2022, Alaska North Slope (ANS) oil prices averaged \$91.41 per barrel. The revenue forecast incorporates the most current indications from financial markets and is based on an annual average ANS oil price of \$85.25 per barrel for FY 2023 and \$73.00 per barrel for FY 2024. Prices are expected to decline beyond FY 2024, stabilizing at \$70.00 per barrel by FY 2032.

In FY 2022, ANS oil production averaged 476,500 barrels per day. ANS oil production is expected to average 485,200 barrels per day for FY 2023 and 496,400 barrels per day for FY 2024, before climbing to 542,900 barrels per day by FY 2032.

In comparison to the Department’s Fall 2022 Revenue Forecast, which was released in December 2022, the ANS oil price forecast has decreased by \$3.20 per barrel for FY 2023 and \$8.00 per barrel for FY 2024. The ANS oil production forecast decreased by 6,500 barrels per day for FY 2023 and by 7,200 barrels per day for FY 2024. Driven by this lower outlook for oil price and production, the Unrestricted General Fund revenue forecast has decreased by \$246 million for FY 2023 and \$679 million for FY 2024.

The Spring Revenue Forecast is an annual update to the Fall *Revenue Sources Book*, providing basic information about state revenue, as well as a forecast of state revenue over the next ten years. The Revenue Forecast is available on the Department’s website at [www.tax.alaska.gov](http://www.tax.alaska.gov).

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