

SB 178 Side by Side Analysis with CSSB 178

SB 178	CSSB 178
	Section 1 Amends AS 43.52.010 and consolidates two existing sections, regarding the terms “recreational” and “passenger” into one section. Except for the tax rates, the factors are the same for both types of vehicles.
Section 1 Amends AS 43.52.010 reduces the term from 90 days to 30 days, for which a lease or rental is exempt from the rental vehicle tax. It also clarifies that all renewals and extensions of a vehicle lease are included when determining if a lease is more than 30 days and, therefore, exempt from the rental vehicle tax, as long as no time has lapsed between the initial date and the period of extension.	Section 2 Amends AS 43.52.010 reduces the term from 90 days to 30 days, for which a lease or rental is exempt from the rental vehicle tax. It also clarifies that all renewals and extensions of a vehicle lease are included when determining if a lease is more than 30 days and, therefore, exempt from the rental vehicle tax, as long as no time has lapsed between the initial date and the period of extension.
	Section 3 Amends AS 43.52.010 to again consolidate the terms “recreational” and “passenger” to better organize the statute. This section clearly states that passenger vehicles are taxed at 10% and recreational vehicles are taxed at 3%.
	Section 4 Amends AS 43.52.099 to add the words “for the primary purpose of transporting passengers” to the definition of “passenger vehicle”. This helps clarify the definition of passenger vehicles.
Section 2(f) Amends AS 43.52.099 to reduce the minimum gross vehicle weight from 8,500 lbs to 6,500 lbs to qualify for this exemption. This helps ensure that the rental vehicle tax is not being applied to Alaskan businesses engaged in commercial rentals of heavy vehicles (i.e. half-ton and 3/4 ton trucks) to other Alaskan businesses	Section 4(f) Amends AS 43.52.099 to reduce the minimum gross vehicle weight from 8,500 lbs to 6,500 lbs to qualify for this exemption. This helps ensure that the rental vehicle tax is not being applied to Alaskan businesses engaged in commercial rentals of heavy vehicles (i.e. half-ton and 3/4 ton trucks) to other Alaskan businesses
Section 3 Provided transitional and implementation language to help guide the Department of Revenue on how to retroactively give out refunds	The retroactive portion was deleted. Please see the draft letter of intent.
	Section 5 Repeals AS 43.52.030 and AS 43.52.040 because they are no longer needed due to the changes made in Sections 1 and 3 together.
Section 4 Provides language that would allow for Sections 1 & 2 to be retroactive.	The retroactive portion was deleted. Please see the draft letter of intent.