

Interior Alaska - The "Place" To Do Business

100 Cushman St., Suite 102 | Fairbanks, Alaska 99701-4665 Phone (907) 452-1105 | fax (907) 456-6968 | www.FairbanksChamber.org

March 15, 2013

The Honorable Mia Costello Representative, State of Alaska, State Capitol, Room 501 Juneau, AK 99801

Re: Letter of Support for House Bill 32

Dear Representative Costello,

The Greater Fairbanks Chamber of Commerce represents over 700 businesses and organizations. Our mission is to advocate for a healthy economic environment to ensure that Fairbanks and the Interior are an attractive place for both businesses and communities. The Chamber supports House Bill 32- Lines of Business on Business License because this legislation will help to alleviate an unneeded burden that is placed on businesses.

HB32 could provide some of the relief needed for many of businesses to survive in such difficult economic circumstances. Allowing the licensing process to be more open and accessible also encourages future business growth by making Alaska a more attractive place to do business. For these reasons the Greater Fairbanks Chamber of Commerce supports HB 32.

Thank you for your dedication to Alaskan businesses and for your work to bring this bill before the legislature.

Sincerely,

Lisa Herbert **Executive Director** Terri Froese Board of Directors, Chair

Tem I From

Anna Atchison

Government Relations, Chair

Cc: Governor Sean Parnell

Bryan Butcher, Commissioner of Revenue

Alaska State Legislature

Alaska State Chamber of Commerce

Membership of the Greater Fairbanks Chamber of Commerce

INVESTORS

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BP Exploration ConocoPhillips

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Flint Hills Resources Alaska

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Alaska Communications

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Fairbanks Natural Gas

Flowline Alaska

GCI

General Teamsters Local 959

Golden Valley Electric Association

Hale & Associates Inc.

JL Properties, Inc.

Key Bank

Personnel Plus

Sam's Club

Shell Exploration & Production Co.

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University of Alaska Fairbanks

Verizon Wireless

WAL-MART Stores, Inc.

Est.1958

Southeast Conference



612 W. Willoughby., Suite B ● P.O. Box 21989 Juneau, AK 99802● 907-523-4350● Fax 907-463-5670 ● info@seconference.org

February 15, 2013

Alaska Legislator State Capitol Building

Re: Support for passage of HB32 "An Act providing for the issuance of one business license for multiple lines of business; and providing for reissuance of a business license to correct a mistake on the license."

Dear Legislator;

Southeast Conference strongly supports the passage of HB32; current law requires a business owner to purchase a separate state license for each line of business they operate out of a registered business. House Bill 32 would reduce that requirement to one license for each business. Small business owners in Alaska often do many things to survive. An example is a person who plows driveways in the winter and falls trees in the summer. Currently this person is required to purchase two separate business licenses. There are many other examples with individuals required to purchase as many as 8 or 9 licenses.

It is likely those working in more than one line of business are those who are least able to afford multiple license fees paid to the state. This is especially difficult for those Alaskans when they discover that business license fees bring in double or triple the amount the state spends issuing and monitoring business licenses.

Southeast Conference is a regional, nonprofit corporation that advances the collective interest of the people, communities and businesses in Southeast Alaska. Members include municipalities, native corporations and village councils, regional and local businesses, civic organizations and individuals throughout the region. Our mission is to undertake and support activities that promote strong economies, healthy communities, and a quality environment for Southeast Alaska. We are the State-designated Alaska Regional Development Organization (ARDOR), the federally-designated Economic Development District (EDD), and the federally designated Resource Conservation and Development Council for Southeast Alaska. Each of these designations requires Southeast Conference to take an active role in regional resource management and economic development planning.

This bill will have relatively little impact on state revenue, but it helps Alaska's who generally should not be subsidizing other areas of government with their licensing fees.

On behalf of the Board of Directors,

Shelly Wright

Shelly Wright

Executive Director.

ARDOR
Alaska Regional Development Organizations
CELEBRATING
25 YEARS

Board Members
Tim Rooney, Wrangell
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Patricia Phillips, Pelican
Merrill Sanford, Juneau
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Richard Peterson, Prince of Wales Island Bryce Dahlstrom, Hydaburg Charles Edwardson, Ketchikan Tory Korn, Ketchikan Mary Becker, Juneau Gordy Wrobel, Elfin Cove February 21, 2013

The Honorable Mia Costello Alaska House of Representatives Capitol Room 501 Juneau, AK 99801

Re: House Bill 32

Dear Representative Costello,

The Alaska State Chamber of Commerce (Alaska Chamber) is an organization dedicated to improving the business climate in Alaska. The Alaska Chamber represents hundreds of businesses from Ketchikan to Barrow that share a common goal: to make Alaska a viable and competitive place to do business. Today, I write in support of House Bill 32 (HB 32) – lines of business on business license.

The Alaska Chamber supports legislation that updates, clarifies, and streamlines laws as they relate to doing business in Alaska along with generally improving Alaska's business climate. HB 32 streamlines Alaska business licensing which improves efficiencies for license administration and business owners.

HB 32 is common sense legislation and the Alaska Chamber looks forward to its speedy passage.

Sincerely,

Rachael A. Petro President/CEO



The Voice of Alaska Business

> Headquarters 471 W 36th Ave Suite 201 Anchorage AK 99503 (907) 278-2722

Regional Office 3100 Channel Dr. Suite 300 Juneau AK 99801 (907) 586-2323



ALASKA

January 18, 2013

The Honorable Mia Costello State Capitol Building Juneau, Alaska 99801-1182

RE: House Bill 32

Dear Representative Costello,

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for House Bill 32. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

Current law requires a business owner to purchase a separate state license for each line of business they operate out of a registered business. House Bill 32 would reduce that requirement to one license for each business.

Small business owners in Alaska often do many things to survive. An example is a person who plows driveways in the winter and falls trees in the summer. Currently this person is required to purchase two separate business licenses. There are many other examples with individuals required to purchase as many as 8 or 9 licenses.

It is likely those working in more than one line of business are those who are least able to afford multiple license fees paid to the state. This is especially difficult for those Alaskans when they discover that business license fees bring in double or triple the amount the state spends issuing and monitoring business licenses.

This bill will relatively little impact on state revenues, but it helps Alaskans who generally should not be subsidizing other areas of government with their licensing fees.

Thank you for introducing House Bill 32.

Sincerely yours,

Dennis L. DeWitt Alaska State Director

Cc: NFIB/AK Leadership Council

Representative Kurt Olson, Chair, House Labor & Commerce Committee



ALASKA

February 14, 2013

The Honorable Kurt Olson State Capitol Building Juneau, Alaska 99801-1182

RE: House Bill 32

Dear Representative Olson:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for House Bill 32. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

Current law requires a business owner to purchase a separate state license for each line of business they operate out of a registered business. House Bill 32 would reduce that requirement to one license for each business.

Small business owners in Alaska often do many things to survive. An example is a person who plows driveways in the winter and falls trees in the summer. Currently this person is required to purchase two separate business licenses. There are many other examples with individuals required to purchase as many as 8 or 9 licenses.

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Sincerely yours,

Dennis L. DeWitt Alaska State Director

Cc: NFIB/AK Leadership Council

From: bridgetlujan@gci.net

Date: February 19, 2014 at 3:47:20 PM AKST

To: ddewitt@gci.net

Subject: HB 32 impact on federal taxes

Hi Denny,

I am writing regarding HB 32 which would provide relief for business owners operating multiple trades under the same name, by issuing one business license from the State of Alaska Department of Commerce, rather than a separate one for each line of business. I understand there is some concern about whether the change would have an impact on the business owner's federal tax filing requirements. I am an active CPA in Alaska, and have over ten years experience preparing tax returns for a wide range of entity types. Based on my knowledge of income tax preparation, and experience with the Internal Revenue Service, I do not believe the proposed change to business licensing regulations would have any effect on the business owner's federal tax filing requirements or procedures. While it is a critical compliance function under state law, business licensing does not affect the tax return. The taxpayer is required to provide the principal business activity code (based on the North American Industry Classification System (NAICS)) for their trade or business on the applicable tax form(s); however the IRS does not have jurisdiction to monitor or regulate whether the entity is in compliance with state licensing requirements. Simply put, the federal tax forms are designed to calculate and report taxable income and tax liability, including those derived from a trade or business. The absence of a business license (specific to the trade or business income being reported) would not preclude the IRS from assessing and collecting tax from the taxpayer, nor should it influence how many tax forms or schedules are completed or filed by the taxpayer. The IRS instructions for Schedule C are fairly clear that different business activities should be reported on separate schedules C, in the case of a sole proprietor, but they are silent with regard to state compliance, including business licensing, except for a brief mention that the taxpayer may also incur state licensing fees or taxes.

I hope this information helps, please contact me if you have any questions, or if I can be of further assistance. I support this bill, as I believe it will offer welcomed administrative relief to both the taxpayer and the Department of Commerce, presumably having few licenses to administer and monitor.

Warm regards,

Bridget Lujan, CPA

Bridget Lujan

4907 Steelhead St

Juneau, AK 99801