ALASKA STATE LEGISLATURE

716 W 4th Avenue Anchorage AK 99501-2133 907-269-0181 Fax: 907-269-0184



State Capitol Juneau AK 99801-1182 907-465-4843 Fax: 907-465-3871 800-892-4843

North to the Future

Senator Cathy Giessel

Senate District N

SB 66 Passenger and Recreational Vehcile Rental Tax Sponsor Statement

In 2003 the legislature passed a rental vehicle tax designed to raise revenue from tourists who visit the state and drive on Alaska's roads.

Nearly a decade later, the Department of Revenue began attempting to retroactively apply this tax to rentals of industry vehicles, for which the tax was never intended. These rentals or leases are most often agreements between Alaskan businesses that are not involved in the tourism industry, and often times are not driven or used primarly on Alaskan roads, if at all.

SB 66 seeks to further clarify the rental vehicle tax in accordance with the intent of the original legislation, exempting businesses that operate in construction, resource, and other non-tourism based industries from an overzealous interpretation of the current law.

Please join me in support of this needed change to our passenger vehicle rental tax law.