



Sectional Analysis, HB 252
Commercial Passenger Vessel (Cruise Ship Head) Tax Bill
January 22, 2016

- Sec. 1.** Adds a \$25 or 1% tax penalty for failure to file electronically unless an exemption is received by the taxpayer
- Sec. 2.** Requires electronic submission of tax returns, license applications, and other documents submitted to the Department of Revenue. This changes the general tax statutes, AS 43.05, and will apply to all tax types administered by the department. Provides a process to request an exemption if a taxpayer does not have the technological capability to do so.
- Sec. 3.** Amends the definition of “voyage” to mean any trip or itinerary lasting more than 72 hours.
- Sec. 4.** Repeals the section of current law which allows for a tax reduction in the amount of certain local levies. Although merely a “repealer,” this is the most important section of the bill.
- Sec. 5.** Transitional language allowing for regulations.
- Sec. 6.** Immediate effective date for the transitional regulatory language in Sec. 5
- Sec. 7.** Effective date of 7/1/16 for the rest of the bill changes.