

Konrad Jackson

From: Alaska Berries <alaskaberries@alaska.net>
Sent: Friday, February 12, 2016 1:09 PM
To: House Labor and Commerce
Subject: HB248

Honorable Legislatures,

I would like to voice my opposition to HB248.

My name is Brian Olson, 48660 W Poppy lane, Soldotna, Alaska. I own and operate Alaska Berries winery, which was the first and currently is the only winery in the state that is certified 100% Alaskan Grown.

I have major concerns of this bill for several reasons.

1. Alaska already has the highest state excise tax in the nation at \$2.50 per gallon. Alaska wineries are at a complete disadvantage when it comes to competing with outside wine sales since NO OUTSIDE wineries are required to pay the same fees for permits and licenses that businesses here in our state have to pay. Any winery in any of the other 49 states can ship wine directly to any customer in this state without having to pay the same fees and taxes that we are forced to pay. Instead of creating severe economic hardship on the few wineries we have in this state, instead focus your monetary relief on all of the wine that enters our state through the distributors and online/phone sales. In other words make the outside interests pay THE SAME that us in state producers have to.
2. Breweries in this state get an exemption. Why? If their are any taxes to be raised, due so evenly and fairly. If not, then please provide me with the name and phone number for the brewery lobbyists who have so well protected their industry as I may have to hire them...
3. At the ridiculous proposed increase of \$5 per gallon, that will mean \$1 per bottle state tax. All of us in the winery business established and expanded our wineries based on the common sense assumption that if taxes were to rise, they would do so gradually and incrementally. NOT 100% in one jump. That type of thinking is what destroys small industries in this state.

Last session you gave the richest corporations the world has ever known the biggest tax subsidies this state has ever given. What about helping your fellow Alaskan business owners who are doing everything they can to survive during these difficult times? We live here, we employ your friends, families, and neighbors. If this bill passes, it will be the death knell to those of us in this industry.

You can only tax so much before it is no longer feasible to compete in this industry. Again, rewrite this bill to make the other 49 states comply with EVERY SINGLE aspect that you require of your instate producers. Make them apply and pay for the same licenses and permits we are required to have. Make them pay every tax that we have to pay. By doing that, you will have proven that you will not discriminate against your instate producers, you will have leveled the playing field, and you will have gained much more revenue for our state coffers.

Do the right thing, either toss this out or do a complete rewrite.

Sincerely,

Brian Olson
48660 W Poppy Ln
Soldotna, AK 99669
Alaska Berries
907-252-8511

--

Brian Olson
Alaska Berries