



LAWS OF ALASKA

2005

Source
SB 158

Chapter No.

AN ACT

Prohibiting the imposition of municipal sales and use taxes on state construction contracts and certain subcontracts; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Prohibiting the imposition of municipal sales and use taxes on state construction contracts and
2 certain subcontracts; and providing for an effective date.

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4 * **Section 1.** AS 29.10.200(51) is amended to read:

5 (51) AS 29.45.650(c), (d), (e), (f), (i), [AND] (j), **and (k)** (sales and
6 use tax);

7 * **Sec. 2.** AS 29.10.200(52) is amended to read:

8 (52) AS 29.45.700(d), [AND] (e), **and (g)** (sales and use tax);

9 * **Sec. 3.** AS 29.45.650 is amended by adding a new subsection to read:

10 (k) A borough may not levy or collect a sales or use tax on a construction
11 contract awarded by the state or a state agency, or on a subcontract awarded in
12 connection with the project funded under the construction contract. This subsection
13 applies to home rule and general law municipalities.

14 * **Sec. 4.** AS 29.45.700 is amended by adding a new subsection to read:

1 (g) A city may not levy or collect a sales or use tax on a construction contract
2 awarded by the state or a state agency, or on a subcontract awarded in connection with
3 the project funded under the construction contract. This subsection applies to home
4 rule and general law cities.

5 * **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).