



THE STATE  
of **ALASKA**  
GOVERNOR MIKE DUNLEAVY

**DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT**  
**DIVISION OF CORPORATIONS, BUSINESS AND PROFESSIONAL LICENSING**

# **BUSINESS LICENSE FEES**

## **HB 289: VERSION A**

Sylvan Robb  
Director

House Labor & Commerce  
Committee



## What Does HB 289 Do?

- Increases regular business license fees from \$50 to \$100 per year
- Increases business license fees for sole proprietorships owned by a disabled veteran or individual who is 65 years of age or older from \$25 to \$50 per year
- Increases tobacco endorsement fees from \$100 to \$200 per renewal



## Why Increase These Fees?

- All funds received each fiscal year in excess of what's required to run the business licensing program are deposited into UGF
- Increasing business licensing fees is a way to generate additional revenue for the State of Alaska without heavily impacting one profession or industry over another



# When is a Business License or Tobacco Endorsement Required?

- A business license is required for the privilege of engaging in a business in the State of Alaska (AS 43.70.020(a))
- “Business” means a for-profit or non-profit entity engaging or offering to engage in a trade, a service, a profession, or an activity with the goal of receiving a financial benefit in exchange for the provision of services, or goods, or other property. (AS 43.70.110(1))
- A person who sells cigarettes, cigars, products containing tobacco, electronic smoking products, or products containing nicotine as a retailer must have a business license and a [tobacco] endorsement. (AS 43.70.105(b))



# When is a Business License Not Required?

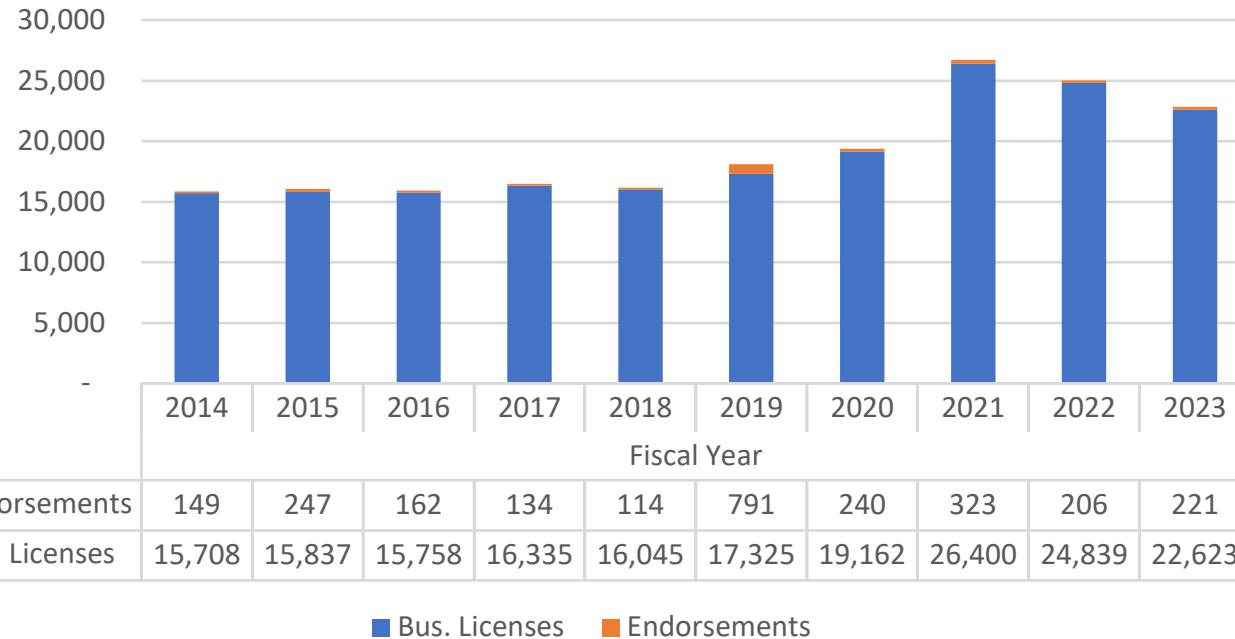
## Business license exemptions (AS 43.70.105):

- Fisheries business
- Sale of liquor under a license issued under AS 04.11
- Insurance business
- Mining business
- Supplying services as an employee
- Furnishing goods or services by a person who does not represent to be regularly engaged in furnishing goods or services
- Activities of an investment club as defined in AS 43.70.105(7)
- Bank organized under AS 06.05 or the laws of another state
- National bank chartered by the U.S.
- Credit union organized under AS 06.45 or the laws of another state
- Credit union regulated by the National Credit Union Administration
- Mutual savings bank chartered under AS 06.15 or organized under the laws of another state



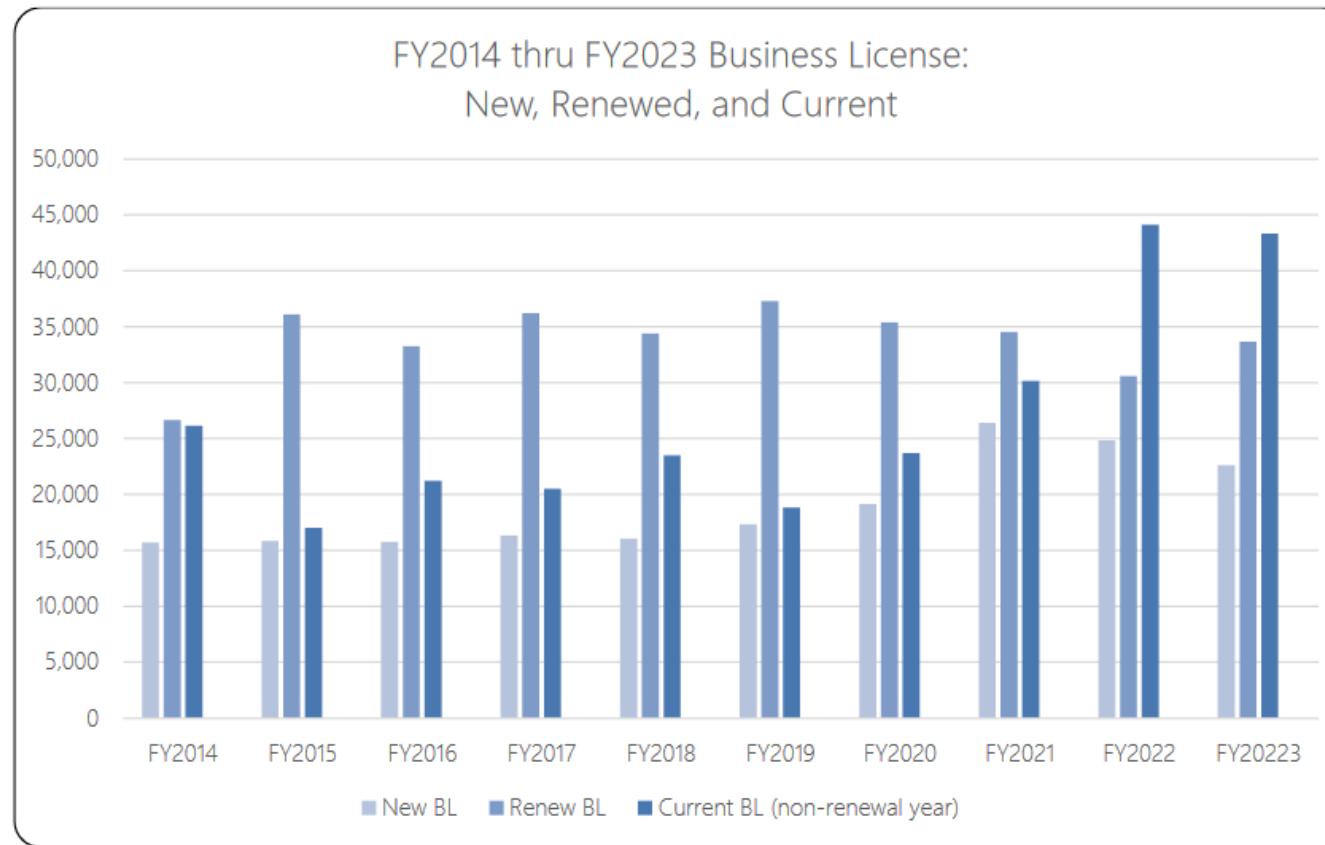
# Business License & Endorsement Numbers

## New Business Licenses and Endorsements



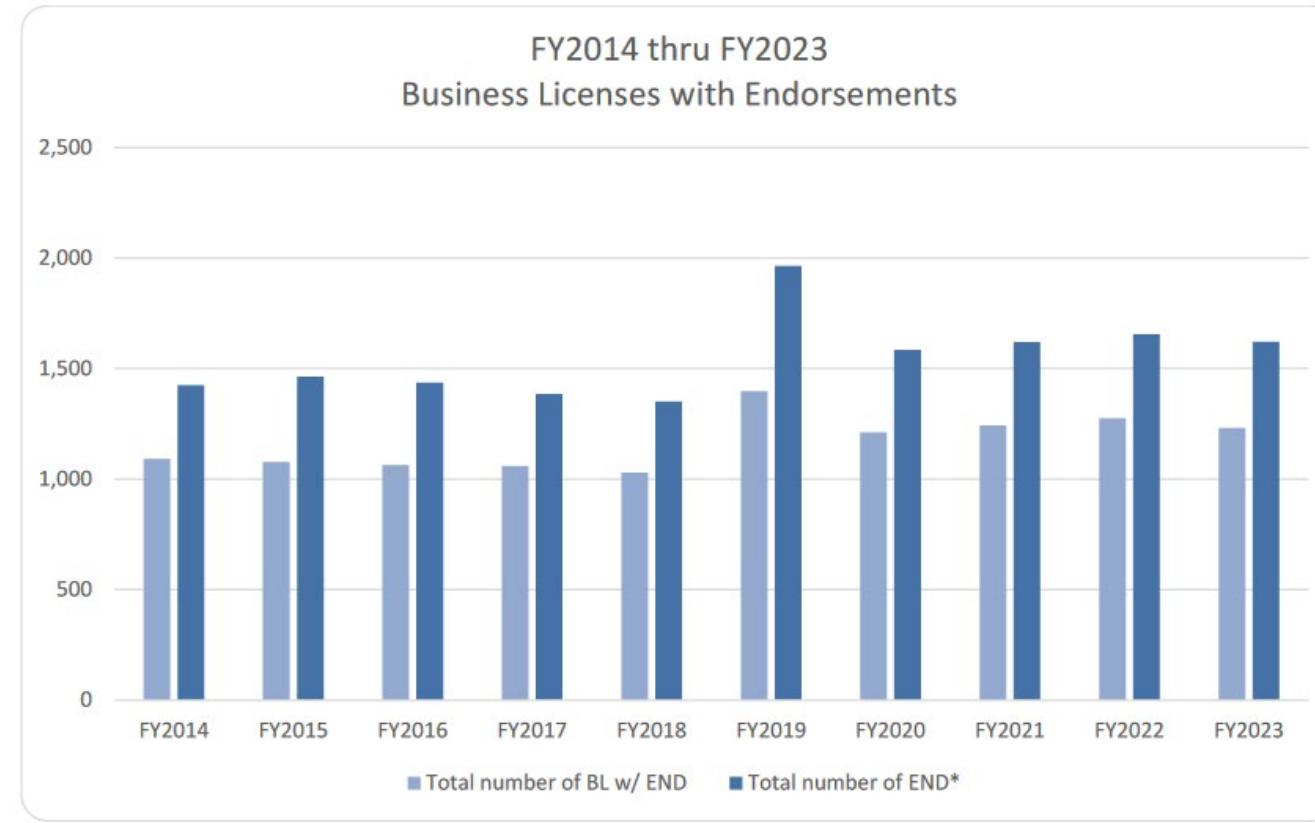


# Business License & Endorsement Numbers (Cont.)





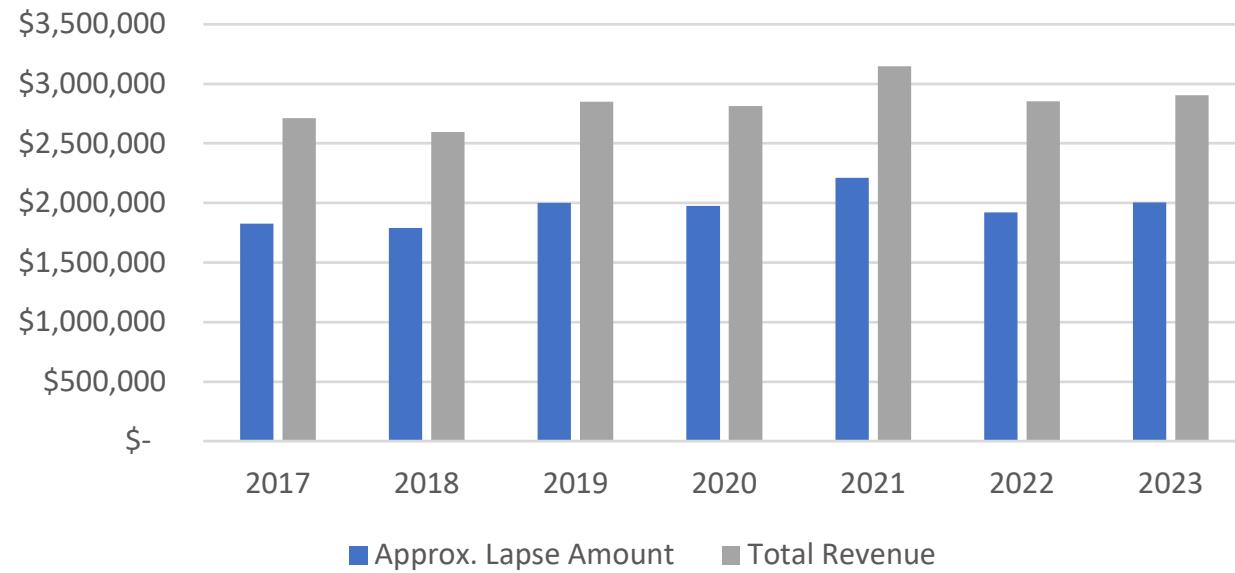
# Business License & Endorsement Numbers (Cont.)





# BL Revenue Deposited Into the General Fund

Approximate Amount Lapsed to General Fund  
and Total Bus. License Revenue FY2017-2023





# Business License & Endorsement Reports & Resources

- Business Licensing Homepage:  
<https://www.commerce.alaska.gov/web/cbpl/BusinessLicensing>
- FY2023 Business Licensing Statistics Report:  
[https://www.commerce.alaska.gov/web/Portals/5/pub/BL\\_AnnualReport\\_2023.pdf](https://www.commerce.alaska.gov/web/Portals/5/pub/BL_AnnualReport_2023.pdf)
- OMB Business License Performance Details:  
[https://omb.alaska.gov/html/performance/ABS/index\\_C2360.html#td10857](https://omb.alaska.gov/html/performance/ABS/index_C2360.html#td10857)
- Business License Online Search Tool:  
<https://www.commerce.alaska.gov/cbp/businesslicense/search/License>
- [Tobacco] Endorsement Online Search Tool:  
<https://www.commerce.alaska.gov/cbp/businesslicense/search/Endorsement>



# Thank You

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