

Hello my name is David Parrott owner and operator of 5150 Vapes in Soldotna, Alaska. I oppose SB89 for many reasons. In this letter I will try to stick to a few main topics because I know you are all very busy.

First the tax, it is a 25% retail tax for vapor products which at first many of you may say that's not much. But are you aware many municipalities around our state already have a wholesale tax? For example, Anchorage all the way to the Mat-su valley have a vape tax of 55% wholesale. That means a product that costs \$10 wholesale would have \$5.50 in municipal tax added raising the retail prices from approximately \$25.00 to \$30.50. If you add another layer of state tax on top at 25% retail, that's an additional \$7.63 in tax raising the price to the consumer to \$38.13. That would cost more in taxes (\$13.13) than the original price of the product from the wholesaler (\$10). The reason I bring this up is we can all agree cigarettes are killing people at an alarming rate in this country and vaping is a proven 95.5% safer alternative. You will hear people saying the flavors are attracting kids and this bill is written to protect the kids but if that was the case then why drop the punishment on the youth to nearly half what it currently was while at the same time increasing the taxes on the law abiding citizens in Alaska that want to switch to a healthier alternative. I have been in business for 8 years in Alaska while never selling to underage individuals because I agree this is not a thing made for kids. To tax a demographic that is proven to be at poverty level at a time that people are already struggling but trying to kick an extremely deadly habit of smoking cigarettes seems extremely unfair and makes no logical sense.

Secondly the reporting side of this bill would literally take me hiring another full time employee to keep up with all the things written in this bill. I pride myself on making sure I stay up on all the requirements placed on my business but at the same time, I'm not able to do so alone. I would much rather spend my time educating my customers and helping them switch to a safer alternative. I use multiple distributors and manufacturers so that makes it extremely hard to keep up on everything that is sold, when it was purchased and when it is sold.

Before you vote on this bill take a few minutes to do some honest research, you have heard people from both sides of this bill say many things but do your own research please. The reason I say that is anyone that votes on a bill should fully understand what they are taxing and why.

Thank you for your time.
David Parrott
Soldotna, Alaska

Feel free to reach out to me with any questions 907-420-7013