



Alaska State Legislature

Senator Matt Claman

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Senate Bill 138

Sectional Analysis — Version A

Section 1

AS 43.05.040. Inspection of records or premises and issuance of subpoenas.

Amends AS 43.05.040(c) by removing unnecessary language regarding the issuance of out-of-state subpoenas related to tax records.

Section 2

AS 43.52.020. Rate of Passenger Vehicle Rental Tax.

Establishes a separate tax rate of 8% for passenger vehicles rented through a vehicle rental platform. The tax rate of 10% remains for traditional rentals.

Section 3

AS 43.52.050. Liability for payment of vehicle rental taxes.

Amends AS 43.52.050(a) by adding language clarifying that vehicle rental platform companies and other companies that arrange vehicle rentals and leases shall collect the existing state vehicle rental tax and remit the tax to the Department of Revenue. Adds language requiring vehicle rental platforms collecting the vehicle rental tax to pay the tax quarterly.

Section 4

AS 43.52.050. Liability for payment of vehicle rental taxes.

Amends AS 43.52.050 by:

- Creating a new subsection (c) requiring a vehicle rental platform that arranged or executed more than 200 transactions in the state in the preceding calendar year to collect and pay to the department the taxes imposed under AS 43.52.010 – 43.52.099;
- Creating a new subsection (d) clarifying that a vehicle rental platform company is not liable for failing to collect or pay the vehicle rental tax if they were provided with incorrect or insufficient information. The company must demonstrate that a reasonable effort was made to obtain the correct or sufficient information from the person; and
- Adding a new section (e) defining “motor vehicle,” “vehicle rental platform,” and “vehicle rental platform company.”

Section 5

Uncodified law – assessment and collection limitation

The Department of Revenue may not assess and collect the vehicle rental taxes that were imposed before the effective date of this Act on a transaction arranged or executed through a vehicle rental platform. If the tax is not assessed and collected before the effective date of this Act, proceedings may not be instituted in court for the assessment or collection of the tax.

Section 6

Effective Date

This Act takes effect immediately.