

CS FOR HOUSE BILL NO. 96(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 2/28/18

Referred: Rules

Sponsor(s): REPRESENTATIVE THOMPSON

A BILL

FOR AN ACT ENTITLED

1 **"An Act amending the calculation of adjusted gross income for purposes of the tax on**
2 **gambling activities aboard large passenger vessels; repealing a provision allowing an**
3 **investigation expense under the Alaska Small Loans Act to be in place of a fee required**
4 **under the Alaska Business License Act; repealing the amount that may be deducted**
5 **from the tobacco excise tax to cover the expense of accounting and filing for the monthly**
6 **tax return; repealing the discount on cigarette tax stamps provided as compensation for**
7 **affixing the stamps to packages; and providing for an effective date."**

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

9 *** Section 1.** AS 43.35.210 is amended to read:

10 **Sec. 43.35.210. Tax on gambling activities.** There is imposed on the operator
11 of gaming or gambling activities aboard large passenger vessels in the state a tax of 33
12 percent of the adjusted gross income from those activities. "Adjusted gross income"
13 means gross income less prizes awarded and [FEDERAL AND] municipal taxes paid

1 or owed on the income. The tax shall be collected and is due and payable to the
 2 Department of Revenue in the manner and at the times required by the Department of
 3 Revenue.

4 * **Sec. 2.** AS 43.50.590(a) is amended to read:

5 (a) The department shall adopt procedures for a refund or credit to a licensee
 6 in the amount of the denominated value [, LESS THE DISCOUNT GIVEN UNDER
 7 AS 43.50.540,] for

8 (1) unused or damaged stamps;

9 (2) stamps affixed to cigarette packages that have become unfit for use
 10 or sale, are destroyed, or are returned to the manufacturer for credit or replacement if
 11 the licensee provides proof acceptable to the department that the cigarettes have not
 12 been and will not be consumed in this state; or

13 (3) stamps affixed to cigarette packages that are sold or distributed
 14 outside the state if the licensee provides proof acceptable to the department that the
 15 cigarettes have not been and will not be consumed in this state and the licensee is
 16 properly licensed in the jurisdictions outside the state where the sales or distributions
 17 are made.

18 * **Sec. 3.** AS 06.20.030(c); AS 43.50.330(b), 43.50.540(c), and 43.50.540(h) are repealed.

19 * **Sec. 4.** Section 1 of this Act takes effect January 1, 2019.

20 * **Sec. 5.** Except as provided in sec. 4 of this Act, this Act takes effect July 1, 2018.