

TYLER RENTAL INC.

March 3, 2014

The Honorable Senator Dennis Egan
Senate Transportation Committee
State Capitol Room 9
Juneau, Alaska 99801

Re: SB 178 Passenger Vehicle Rental Tax

Chairman Egan,

I am writing to you in support of Senate Bill 178.

I am the President and owner of Tyler Rental, Inc. Tyler operates in four locations in Southeast Alaska and one location in Washington State. Our primary business is the rental of large construction equipment. We do offer pickup trucks for rent primarily to construction and mining support companies that have projects in Alaska. We do not rent trucks to tourists or advertise in the travel industry.

We just recently became aware of Rental Car Tax. This came as a surprise to us as we have never received any information from the State of Alaska regarding this tax. We are in the process of going through our records to identify what needs to be reported. We are also trying to figure out how to capture this information in our computer systems going forward.

The regulations as currently written by the state are both inflexible and do not appear to have an understanding of how construction projects unfold in Southeast Alaska. Most of our construction is during the summer months with many projects taking three to six months to complete. The inflexibility of current regulations create unnecessary communication and accounting problems for both Tyler and our customers. It also appears that the original intent was to tax short term car rentals to capture tourist dollars in an effort to help fund road maintenance. A large percentage of the vehicles that we rent are for remote projects that are not on the State of Alaska highway system and therefore fall outside of the original legislative intent.

For out of state contractors it may be cheaper to bring in their own pickup trucks for their Alaska projects which will create a financial hardship for Tyler Rental and other companies that rent pickups for construction related activity. The way the regulations are written there will be an unnecessary and ongoing administrative cost to comply. Any and all laws with related regulations need to be written in such a manner that the law can be complied with in a timely, accurate, cost effective manner for the citizens. The current regulations are more antagonistic than helpful to a citizen.

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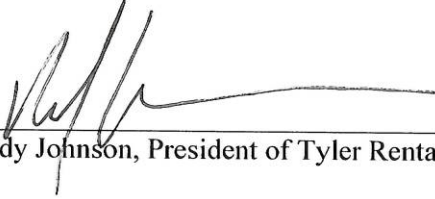
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Thank you for your time and consideration of my comments regarding Senate Bill 178. If you have any questions regarding my support, please contact myself at 907 228-5352 or my Chief Financial Officer, Doug Johnson at 907 228-5379.

Sincerely yours

A handwritten signature in black ink, appearing to be 'Randy Johnson', written over a horizontal line.

Randy Johnson, President of Tyler Rental, Inc.

Cc: Senator Bishop