

## Forrest Wolfe

---

**From:** Kristopher Knauss <Knauss@gci.net>  
**Sent:** Tuesday, February 24, 2015 12:29 PM  
**To:** Forrest Wolfe  
**Subject:** Re: Question Re: Rental Tax Bill from 2003

Hey Forrest,

The original intent of the legislation was specific to passenger rental vehicles. There was discussion on R/V rentals, and I can't remember if there was an exemption in the early legislation.

In terms of equipment/leasing rentals, there was never any discussion or intention to tax those entities. Simply put, the tax was directed at the Avis, Hertz, Alamos of the world when the state was seeking revenues from the tourism industry and impacts on surface transportation.

I hope this helps a bit. Call my cell if you or Senator Giessel have any questions.

**Kris Knauss | Principal, The Knauss Group, LLC**  
P.O. Box 110190 | Anchorage, Alaska 99511  
W (907) 677-8500 | C (907) 351-2524 | [Knauss@gci.net](mailto:Knauss@gci.net)



On Feb 24, 2015, at 10:30 AM, Forrest Wolfe <[Forrest.Wolfe@akleg.gov](mailto:Forrest.Wolfe@akleg.gov)> wrote:

Good Morning Kris,

I am working on a bill that seeks to exempt equipment rental/leasing companies from the rental vehicle tax legislation you worked on as a staffer for Pete Kott in 2003 (HB 271, I believe). What has happened is that in 2013 the DOR decided to interpret the statute to be applicable to companies that rent or lease construction equipment/commercial vehicles, and retroactively levied a decade of taxes on all these companies which they never were aware of. After looking through the minutes and listening to the committee hearings, it appears as though the intent of this legislation was to be applied to passenger vehicles for tourists (your Avis, Hertz, Alamo, etc.).

Do you remember if your office had intended this tax to be applicable to companies whose equipment is rented to oil field operators, mining companies, timber companies, other resource industries, and construction companies?

Please write or call me back at 465.8180 when you get a chance so I can pick your brain a little bit.

Thanks,

*Forrest Wolfe*  
*Legislative Aide*  
*Office of Senator Cathy Giessel*  
*907.465.4843*