

Department of Revenue

COMMISSIONER'S OFFICE

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January 20, 2016

The Honorable Mia Costello, Chair Senate Labor & Commerce Committee State Capitol Building Juneau, AK 99801

Dear Senator Costello:

The Department of Revenue (DOR) respectfully requests that SB 131, "An Act requiring the electronic submission of a tax return or report with the Department of Revenue; relating to the excise tax on alcoholic beverages; and providing for an effective date," be scheduled in the Senate Labor & Commerce Committee at your earliest convenience.

The purpose of this legislation is to increase the tax rates on alcoholic beverages under AS 43.60 (excise tax on alcoholic beverages). This legislation would generate approximately \$40,000,000 annually in increased revenue.

Your favorable consideration of this request is appreciated. If you need any additional information, please contact Jerry Burnett, Deputy Commissioner for the Department of Revenue at 907-465-3669.

Sincerely,

Randall J. Hoffbeck, Commissioner

Cc: Darwin Peterson, Legislative Director, Office of the Governor

Jerry Burnett, Deputy Commissioner, Department of Revenue Ken Alper, Director, Tax Division, Department of Revenue