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Governor Mike Dunleavy
STATE OF ALASKA

January 22, 2024

The Honorable Cathy Tilton
Speaker of the House
Alaska State Legislature
State Capitol, Room 208
Juneau, AK 99801-1182

Dear Speaker Tilton:

Under the authority of Article III, Section 18 of the Alaska Constitution, I am transmitting a bill increasing business license fees. The Alaska Business License Act (Act) requires that a person obtain and pay for a business license from the Department of Commerce, Community, and Economic Development (DCCED), prior to engaging in business in the State. The Act sets the fees for business licenses and for license endorsements that permit a business to sell tobacco products. This bill would increase these statutory fees.

The bill would increase the fee for a business license from \$50 to \$100 per year. The Act includes an exception for certain sole proprietorships owned by individuals 65 years or older and disabled veterans, which sets a lower fee of \$25 for these businesses. The bill would increase those licenses to \$50. Tobacco endorsements would be increased from \$100 to \$200 annually.

The bill would have an effective date of October 1, 2024, to allow DCCED time to update its forms and public information in advance of license renewals at the start of the upcoming calendar year.

I urge your prompt and favorable action on this measure.

Sincerely,

A handwritten signature in blue ink, appearing to read "Mike Dunleavy".

Mike Dunleavy
Governor

Enclosure