

**HOUSE BILL NO. 96**

IN THE LEGISLATURE OF THE STATE OF ALASKA

NINETEENTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES BROWN, Davies, Elton

Introduced: 1/19/95

Referred: State Affairs, Judiciary, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act increasing and requiring annual adjustment of the tax on alcoholic  
2 beverages; and providing for an effective date."

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

4 \* **Section 1.** AS 43.60.010(a) is amended to read:

5 (a) Every brewer, distiller, bottler, jobber, retailer, wholesaler, or manufacturer  
6 who sells alcoholic beverages in the state or who consigns shipments of alcoholic  
7 beverages into the state, whether or not the alcoholic beverages are brewed, distilled,  
8 bottled, or manufactured in the state, shall pay on all malt beverages (alcoholic content  
9 of one percent or more by volume), wines, and hard or distilled alcoholic beverages,  
10 the following taxes:

11 (1) malt beverages at the rate of \$1.05 [35 CENTS] a gallon or fraction  
12 of a gallon;

13 (2) wine or other beverages of 21 percent alcohol by volume or less,  
14 at the rate of \$2.15 [85 CENTS] a gallon or fraction of a gallon; and

1 (3) other beverages having a content of more than 21 percent alcohol  
2 by volume at the rate of \$12.75 [\$5.60] a gallon.

3 \* **Sec. 2.** AS 43.60.010 is amended by adding a new subsection to read:

4 (c) The department shall on July 1 of each year adjust the taxes imposed under  
5 (a) of this section to reflect increases in the Consumer Price Index for all urban  
6 consumers for all items for the Anchorage metropolitan area compiled by the Bureau  
7 of Labor Statistics, United States Department of Labor, for the second half of the  
8 preceding calendar year. The semiannual index for the second half of 1994 is the  
9 reference base index. The department shall round the amount adjusted under this  
10 subsection to the nearest dollar. The revised tax rates shall be provided to the  
11 legislature and each brewer, distiller, bottler, jobber, retailer, wholesale, or  
12 manufacturer who sells alcoholic beverages in the state, and made available to the  
13 public.

14 \* **Sec. 3.** Notwithstanding sec. 4 of this Act and AS 43.60.010(c), enacted in sec. 2 of this  
15 Act, the Department of Revenue shall, by June 1, 1996, determine the increase in tax rates  
16 resulting from implementation of AS 46.60.010(c), enacted in sec. 2 of this Act, and impose  
17 the new tax rates beginning July 1, 1996.

18 \* **Sec. 4.** This Act takes effect July 1, 1995.