

SPONSOR SUBSTITUTE FOR HOUSE BILL NO. 132

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES DAVIS, Ivan

Introduced: 2/21/97

Referred: Community and Regional Affairs, Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal taxation of alcoholic beverages."

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

3 * Section 1. AS 04.21.010(c) is amended to read:

4 (c) A municipality may not impose taxes on alcoholic beverages except a

5 (1) property tax on alcoholic beverage inventories;

6 (2) sales tax on alcoholic beverage sales; **a sales tax may be imposed**

7 **on alcoholic beverages even if other sales are not taxed, or, if other sales are**

8 **taxed, a sales tax on alcoholic beverages may be equal to, higher, or lower than**

9 **a sales tax** [IF SALES TAXES ARE] imposed on other sales within the municipality;

10 **and**

11 (3) [SALES TAX ON ALCOHOLIC BEVERAGE SALES THAT WAS

12 IN EFFECT BEFORE JULY 1, 1985; AND

13 (4)] sales and use tax on alcoholic beverages if the sale of alcoholic

14 beverages within the municipality has been prohibited under AS 04.11.491(a)(1), (4),

15 or (5).

1 * **Sec. 2.** AS 29.45.650(a) is amended to read:

2 (a) Except as provided in [AS 04.21.010(c) AND IN] (f) and (h) of this
3 section, a borough may levy and collect a sales tax on sales, rents, and on services
4 provided in the borough. The sales tax may apply to any or all of these sources.
5 Exemptions may be granted by ordinance.