

CS FOR SENATE BILL NO. 23(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 2/6/97

Referred: State Affairs, Finance

Sponsor(s): SENATOR SHARP

A BILL

FOR AN ACT ENTITLED

1 "An Act levying and providing for the collection and administration of excise
2 taxes on the rental or furnishing of transient lodging, and authorizing disposition
3 of estimated receipts from that tax; and providing for an effective date."

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

5 * **Section 1.** AS 43 is amended by adding a new chapter to read:

6 **Chapter 52. Excise Taxes.**

7 **Article 1. Excise Tax Administration.**

8 **Sec. 43.52.010. Administration of tax.** (a) The department shall administer
9 the taxes imposed by this chapter.

10 (b) The department shall prescribe and furnish all necessary forms, and adopt
11 all necessary regulations, for the taxes imposed by this chapter.

12 **Sec. 43.52.020. Disposition of tax receipts.** The legislature may use the
13 annual estimated balance of the account maintained under AS 37.05.142 for deposits
14 into the general fund of the proceeds of the taxes imposed by AS 43.52.100 -

1 43.52.199 to make appropriations for tourism marketing and promotion. This section
 2 is not intended to create a dedication in violation of art. IX, sec. 7, Constitution of the
 3 State of Alaska.

4 **Article 2. Excise Tax on Transient Lodging Rentals.**

5 **Sec. 43.52.100. Levy of transient lodging rental tax.** There is imposed an
 6 excise tax on the rental or furnishing of transient lodging.

7 **Sec. 43.52.110. Rate of transient lodging rental tax.** The tax imposed by
 8 AS 43.52.100 - 43.52.199 is levied at a rate of 2 percent of the amount charged for
 9 occupancy or use of the transient lodging.

10 **Sec. 43.52.120. Liability for payment of transient lodging rental tax.** The
 11 tax imposed by AS 43.52.100 - 43.52.199 is due and payable to the department

12 (1) by the person who provides the transient lodging; in this paragraph,
 13 "person" includes a state or municipal agency; and

14 (2) in the manner and at the times required by the department by
 15 regulation.

16 **Sec. 43.52.130. Tax not applicable.** The provisions of AS 43.52.100 -
 17 43.52.199 do not apply

18 (1) to occupancy in premises if occupancy is under a lease or rental
 19 agreement subject to AS 34.03 (Uniform Residential Landlord and Tenant Act);

20 (2) to lodging at an institution, public or private, if incidental to
 21 provision of educational, training, or similar services;

22 (3) to occupancy by an employee whose right to occupancy is
 23 conditioned upon the occupant's employment; and

24 (4) to lodging aboard vessels.

25 **Sec. 43.52.140. Relationship to municipal levies.** The tax imposed by
 26 AS 43.52.100 - 43.52.199 is in addition to a tax that may be imposed by a
 27 municipality under AS 29.45, including a hotel and motel tax, bed tax, or commercial
 28 sleeping accommodations tax.

29 **Sec. 43.52.199. Definitions.** In AS 43.52.100 - 43.52.199,

30 (1) "tax" means the excise tax on the rental or furnishing of transient
 31 lodging levied under AS 43.52.100 - 43.52.199;

1 (2) "transient lodging" means lodging or space provided in a hotel,
2 rooming or apartment house, lodge, motel, bed and breakfast, or similar lodging
3 facility or under a similar arrangement that provides temporary lodging or living
4 quarters.

5 * **Sec. 2.** This Act takes effect January 1, 1998.