

HOUSE BILL NO. 202

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE HALCRO

Introduced: 4/16/99

Referred: Transportation, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act levying and providing for the collection and administration of an excise**
2 **tax on passenger vehicle rentals; and providing for an effective date."**

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

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

5 **Chapter 52. Passenger Vehicle Rental Tax.**

6 **Sec. 43.52.010. Levy of passenger vehicle rental tax.** There is imposed an
7 excise tax on the charge for the lease or rental of a passenger vehicle made in this
8 state if the lease or rental of the passenger vehicle does not exceed a period of 90
9 consecutive days.

10 **Sec. 43.52.020. Rate of passenger vehicle rental tax.** The tax imposed by
11 this chapter is levied at a rate of 10 percent of the amount charged for the lease or
12 rental of the passenger vehicle.

13 **Sec. 43.52.030. Liability for payment of passenger vehicle rental tax.** The
14 tax imposed by this chapter is due and payable to the department

1 (1) by the person who provides the rented passenger vehicle; and
2 (2) in the manner and at the times required by the department by
3 regulation.

4 **Sec. 43.52.040. Applicability of the tax.** The provisions of this chapter apply
5 to a passenger vehicle whether or not the passenger vehicle is registered and licensed
6 in this state.

7 **Sec. 43.52.050. Relationship to municipal levies.** The tax imposed by this
8 chapter is in addition to a tax that may be imposed on passenger vehicle rentals by a
9 municipality under AS 29.45.

10 **Sec. 43.52.060. Administration of tax.** (a) The department shall administer
11 the tax imposed by this chapter and may adopt necessary regulations.

12 (b) The proceeds of the passenger vehicle rental tax imposed by this chapter
13 shall be deposited into a special passenger vehicle rental tax account in the general
14 fund.

15 (c) The legislature may appropriate the actual balance of the passenger vehicle
16 rental tax account for tourism development and marketing. This section is not
17 intended to create a dedicated fund.

18 **Sec. 43.52.099. Definitions.** In this chapter,

19 (1) "passenger vehicle" means a motor vehicle as defined in
20 AS 28.40.100 that is driven or moved on a highway or other public right-of-way in the
21 state but does not include a "commercial motor vehicle" as that term is defined in
22 AS 28.40.100;

23 (2) "tax" means the excise tax on the charge made for the rental of a
24 passenger vehicle levied under this chapter.

25 * **Sec. 2.** This Act takes effect January 1, 2000.