

**HOUSE BILL NO. 225**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SECOND LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVES MURKOWSKI, Hudson**

**Introduced: 3/30/01**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to municipal taxation of alcoholic beverages and increasing the  
2 alcoholic beverage tax rates."

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

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

5 (c) Taxes on alcoholic beverages levied by a municipality shall be  
6 collected by the state and returned in full to the levying municipality. A

7 municipality may not levy [IMPOSE] taxes on alcoholic beverages except a

8 (1) property tax on alcoholic beverage inventories;

9 (2) sales tax on alcoholic beverage sales; a sales tax may be levied on

10 alcoholic beverages even if other sales are not taxed, or, if other sales are taxed, a

11 sales tax on alcoholic beverages may be equal to, higher than, or lower than a

12 sales tax [IF SALES TAXES ARE] imposed on other sales within the municipality,

13 but may not, for each type of alcoholic beverage, exceed the rate that generates

14 the amount of taxes on that type of alcoholic beverage imposed by the state under

1        **AS 43.60.010; and**

2                    (3) [SALES TAX ON ALCOHOLIC BEVERAGE SALES THAT  
3 WAS IN EFFECT BEFORE JULY 1, 1985; AND

4                    (4)] sales and use tax on alcoholic beverages, **to the extent allowed by**  
5 **(2) of this subsection,** if the sale of alcoholic beverages within the municipality has  
6 been prohibited under AS 04.11.491(a)(1), (4), or (5).

7 \* **Sec. 2.** AS 43.60.010(a) is amended to read:

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

14                    (1) malt beverages at the rate of **\$1.42** [35 CENTS] a gallon or fraction  
15 of a gallon;

16                    (2) wine or other beverages of 21 percent alcohol by volume or less, at  
17 the rate of **\$3.41** [85 CENTS] a gallon or fraction of a gallon; and

18                    (3) other beverages having a content of more than 21 percent alcohol  
19 by volume at the rate of **\$18.40** [\$5.60] a gallon.