

HOUSE BILL NO. 207

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE GATTO

Introduced: 3/24/03

Referred: House Special Committee on Economic Development, International Trade, and Tourism,
Transportation, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to taxes regarding certain commercial passenger vessels operating in**
2 **the state; 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. Excise Tax on Passengers Traveling Aboard**
6 **a Commercial Passenger Vessel.**

7 **Sec. 43.52.010. Levy of excise tax on passengers traveling aboard a**
8 **commercial passenger vessel.** There is imposed an excise tax on passengers
9 traveling in the marine waters of the state aboard a commercial passenger vessel that
10 provides overnight accommodations.

11 **Sec. 43.52.020. Rate of tax.** The tax imposed by this chapter is levied at a
12 rate of \$100 a passenger a voyage.

13 **Sec. 43.52.030. Liability for payment of tax.** (a) A passenger traveling in
14 the marine waters of the state aboard a commercial passenger vessel that provides

1 overnight accommodations is liable for the tax imposed by this chapter. The tax

2 (1) shall be collected by the person who provides the travel to the
3 passenger; and

4 (2) is due and payable to the department

5 (A) by the person who provides the travel to the passenger,
6 regardless of whether the person actually collects the tax from the passenger;
7 and

8 (B) in the manner and at the times required by the department
9 by regulation.

10 (b) A passenger is not liable for the tax under this chapter if that passenger
11 was liable for the tax within the preceding 30 days.

12 (c) A person who provides travel for a passenger who, under (b) of this
13 section, would not be liable for the tax under this chapter is not required to collect and
14 pay the tax to the department if the person reasonably believes that the passenger is
15 not liable for the tax under (b) of this section.

16 **Sec. 43.52.040. Disposition of proceeds.** The proceeds from the tax imposed
17 by this chapter shall be deposited in the general fund.

18 **Sec. 43.52.050. Administration.** (a) The department shall

19 (1) administer this chapter; and

20 (2) collect, and supervise and enforce the collection of, taxes due under
21 this chapter and penalties as provided in AS 43.05.

22 (b) The department may adopt regulations to carry out the purposes of this
23 chapter.

24 **Sec. 43.52.900. Definitions.** In this chapter, unless the context otherwise
25 requires,

26 (1) "commercial passenger vessel" means a vessel that is used in the
27 common carriage of passengers in commerce; "commercial passenger vessel" does not
28 include a

29 (A) vessel with an overnight accommodation capacity for fewer
30 than 12 passengers;

31 (B) noncommercial vessel or a vessel operated by the state, the

1 United States, or a foreign government; or

2 (C) vessel licensed under AS 16.05.490 and used in charter
3 service for the recreational taking of fish and shellfish;

4 (2) "marine waters of the state" means the marine bays, sounds, rivers,
5 inlets, straits, passages, canals, Pacific Ocean, Gulf of Alaska, Bering Sea, and Arctic
6 Ocean within the territorial limits of the state, and all other bodies of marine water that
7 are wholly or partially within the state or are under the jurisdiction of the state;

8 (3) "passenger" means a person with whom a common carrier has
9 contracted for carriage from one place to another.

10 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
11 read:

12 **TRANSITION: REGULATIONS.** Notwithstanding sec. 4 of this Act, the
13 Department of Revenue may proceed to adopt regulations to implement sec. 1 of this Act.
14 The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
15 effective date of sec. 1 of this Act.

16 * **Sec. 3.** Section 2 of this Act takes effect immediately.

17 * **Sec. 4.** Section 1 of this Act takes effect January 1, 2004.