

CS FOR HOUSE BILL NO. 216(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 4/16/03

Referred: Finance

Sponsor(s): HOUSE LABOR AND COMMERCE COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to municipal taxation of refined petroleum products and to the bulk**
2 **fuel revolving loan fund."**

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

4 * **Section 1.** AS 29.10.200(51) is amended to read:

5 (51) AS 29.45.650(c), (d), (e), [AND] (f), **and (i)** (sales, [AND] use,
6 **and transfer taxes** [TAX]);

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

8 (a) Except as provided in AS 04.21.010(c), AS 29.45.750, and in (f), [AND]
9 (h), **and (i)** of this section, a borough may levy and collect a sales tax on sales, rents,
10 and on services provided in the borough. The sales tax may apply to any or all of
11 these sources. Exemptions may be granted by ordinance.

12 * **Sec. 3.** AS 29.45.650 is amended by adding a new subsection to read:

13 (i) A borough may not levy or collect a sales, transfer, or use tax on (1) fuel
14 used in turbine-powered aircraft, except for fuel that is transferred into an aircraft at a

1 municipal or private airport; or (2) wholesale sales or wholesale transfers of any
2 refined petroleum product. This subsection applies to home rule and general law
3 municipalities.

4 * **Sec. 4.** AS 42.45.250(e) is amended to read:

5 (e) Loans made from the bulk fuel revolving loan fund to one borrower in any
6 fiscal year are not subject to AS 42.45.060 and

7 (1) may not exceed \$300,000 [\$200,000];

8 (2) shall be repaid in one year or less; and

9 (3) may not exceed 90 percent of the wholesale price of the fuel
10 purchased.

11 * **Sec. 5.** Section 4, ch. 100, SLA 2002, is repealed and reenacted to read:

12 Sec. 4. AS 29.45.650(a) is amended to read:

13 (a) Except as provided in AS 04.21.010(c), [AS 29.45.750,] and in (f), (h), and
14 (i) of this section, a borough may levy and collect a sales tax on sales, rents, and on
15 services provided in the borough. The sales tax may apply to any or all of these
16 sources. Exemptions may be granted by ordinance.