

HOUSE BILL NO. 271

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE KOTT

Introduced: 4/15/03

Referred: House Special Committee on Ways and Means, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act levying and providing for the collection and administration of an excise tax on**
2 **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 state
8 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 15 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 levied under this chapter on the charge
 24 made for the rental of a passenger vehicle.

25 * **Sec. 2.** TRANSITIONAL PROVISIONS: REGULATIONS. Notwithstanding sec. 3 of
 26 this Act, the Department of Revenue may proceed to adopt regulations necessary to
 27 implement this Act. The regulations take effect under AS 44.62 (Administrative Procedure
 28 Act), but not before the effective date set out in sec. 4 of this Act.

29 * **Sec. 3.** Section 2 of this Act takes effect immediately under AS 01.10.070(c).

30 * **Sec. 4.** Except as provided in sec. 3 of this Act, this Act takes effect July 1, 2003.