

CS FOR HOUSE BILL NO. 271(W&M)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

Offered: 4/24/03

Referred: Finance

Sponsor(s): REPRESENTATIVE KOTT

A BILL

FOR AN ACT ENTITLED

1 "An Act levying and providing for the collection and administration of excise taxes on
2 passenger vehicle and recreational 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. Vehicle Rental Taxes.**

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 rate of the tax
11 levied in AS 43.52.010 is 10 percent of the amount charged for the lease or rental of
12 the passenger vehicle.

13 **Sec. 43.52.030. Levy of recreational vehicle rental tax.** There is imposed an
14 excise tax on the charge for the lease or rental of a recreational vehicle made in this

1 state if the lease or rental of the recreational vehicle does not exceed a period of 90
2 consecutive days.

3 **Sec. 43.52.040. Rate of recreational vehicle rental tax.** The rate of the tax
4 levied in AS 43.52.030 is three percent of the amount charged for the lease or rental of
5 the recreational vehicle.

6 **Sec. 43.52.050. Liability for payment of vehicle rental taxes.** (a) The taxes
7 imposed by this chapter are due and payable to the department

8 (1) by the person who provides the leased or rented vehicle; and

9 (2) in the manner and at the times required by the department by
10 regulation.

11 (b) Nothing in this section prohibits a person who provides a leased or rented
12 vehicle from collecting the tax due from the person leasing or renting the vehicle if the
13 amount of the tax is stated separately from the amount charged for the lease or rental.

14 **Sec. 43.52.060. Applicability of the tax.** The provisions of this chapter apply
15 to a passenger or recreational vehicle whether or not the vehicle is registered and
16 licensed in this state.

17 **Sec. 43.52.070. Relationship to municipal levies.** The taxes imposed by this
18 chapter are in addition to taxes that may be imposed on vehicle rentals by a
19 municipality under AS 29.45.

20 **Sec. 43.52.080. Administration of tax.** (a) The department shall administer
21 the taxes imposed by this chapter and may adopt necessary regulations.

22 (b) The proceeds of the vehicle rental taxes imposed by this chapter shall be
23 deposited into a special vehicle rental tax account in the general fund.

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

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

28 (1) "passenger vehicle" means a motor vehicle as defined in
29 AS 28.40.100 that is driven or moved on a highway or other public right-of-way in the
30 state, but does not include

31 (A) a commercial motor vehicle as that term is defined in

1 AS 28.40.100;

2 (B) emergency or fire equipment that is necessary to the
3 preservation of life or property;

4 (C) a farm vehicle that is controlled and operated by a farmer,
5 used to transport agricultural products, farm machinery, or farm supplies to or
6 from that farmer's farm, not used in the operations of a common or contract
7 motor carrier, and used within 150 miles of the farmer's farm; or

8 (D) a recreational vehicle;

9 (2) "recreational vehicle" means

10 (A) a motor vehicle or trailer for recreational dwelling
11 purposes;

12 (B) a motor home or other vehicle with a motor home body
13 style;

14 (C) a one-piece camper vehicle; and

15 (D) any other self-propelled vehicle with living quarters;

16 (3) "tax" means the excise tax levied under this chapter on the charge
17 made for the rental of a passenger or recreational vehicle.

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

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

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