

HOUSE BILL NO. 2

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVE GATTO

Introduced: 1/10/05

Referred: Community and Regional Affairs, 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 43.52 is amended by adding new sections to read:

5 **Article 2. Excise Tax on Passengers Traveling Aboard**
6 **a Commercial Passenger Vessel.**

7 **Sec. 43.52.100. 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. 43.52.110. Rate of tax.** The tax imposed by AS 43.52.100 - 43.52.199 is
12 levied at a rate of \$50 a passenger a voyage.

13 **Sec. 43.52.120. 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 AS 43.52.100 - 43.52.199.

2 The tax

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

5 (2) is due and payable to the department

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

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

11 (b) A passenger is not liable for the tax under AS 43.52.100 - 43.52.199 if that
12 passenger was liable for the tax within the preceding 30 days.

13 (c) A person who provides travel for a passenger who, under (b) of this
14 section, would not be liable for the tax under AS 43.52.100 - 43.52.199 is not required
15 to collect and pay the tax to the department if the person reasonably believes that the
16 passenger is not liable for the tax under (b) of this section.

17 **Sec. 43.52.130. Disposition of proceeds.** (a) The proceeds from the tax
18 imposed by AS 43.52.100 - 43.52.199 shall be deposited in the general fund.

19 (b) Subject to appropriation by the legislature, the commissioner shall
20 distribute \$5 of the tax levied on each passenger under AS 43.52.100 to the
21 municipalities in which each of the first five ports in the state visited by the passenger
22 are located. In the case of a port located in a city and a borough, the commissioner
23 shall distribute \$2.50 to the city and \$2.50 to the borough.

24 **Sec. 43.52.140. Administration.** (a) The department shall

25 (1) administer AS 43.52.100 - 43.52.199; and

26 (2) collect, and supervise and enforce the collection of, taxes due under
27 AS 43.52.100 - 43.52.199 and penalties as provided in AS 43.05.

28 (b) The department may adopt regulations to carry out the purposes of
29 AS 43.52.100 - 43.52.199.

30 **Sec. 43.52.199. Definitions.** In AS 43.52.100 - 43.52.199, unless the context
31 otherwise requires,

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

4 (A) vessel with an overnight accommodation capacity for fewer
 5 than 12 passengers;

6 (B) noncommercial vessel or a vessel operated by the state, the
 7 United States, or a foreign government; or

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

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

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

16 * **Sec. 2.** The uncoded law of the State of Alaska is amended by adding a new section to
 17 read:

18 TRANSITION: REGULATIONS. Notwithstanding sec. 5 of this Act, the
 19 Department of Revenue may proceed to adopt regulations to implement sec. 1 of this Act.
 20 The regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the
 21 effective date of sec. 1 of this Act.

22 * **Sec. 3.** The uncoded law of the State of Alaska is amended by adding a new section to
 23 read:

24 REVISOR'S INSTRUCTION: The revisor of statutes shall substitute "AS 43.52.010 -
 25 43.52.099" for "this chapter" wherever "this chapter" occurs in AS 43.52.010 - 43.52.099.

26 * **Sec. 4.** Section 2 of this Act takes effect immediately under AS 01.10.070(c).

27 * **Sec. 5.** Except as provided in sec. 4, this Act takes effect January 1, 2006.