

# Fiscal Note

State of Alaska  
2019 Legislative Session

Bill Version:	HB 102
Fiscal Note Number:	2
(H) Publish Date:	4/24/2019

Identifier: HB102-DOR-TAX-3-29-2019  
 Title: RENTAL VEHICLE BY PRIVATE OWNER  
 Sponsor: WOOL  
 Requester: (H) LABOR & COMMERCE

Department: Department of Revenue  
 Appropriation: Taxation and Treasury  
 Allocation: Tax Division  
 OMB Component Number: 2476

### Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2020	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2020 Request	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
<b>OPERATING EXPENDITURES</b>	<b>FY 2020</b>	<b>FY 2020</b>					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Fund Source (Operating Only)

None							
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

### Positions

Full-time							
Part-time							
Temporary							

### Change in Revenues

None	***		***	***	***	***	***
<b>Total</b>	***	<b>0.0</b>	***	***	***	***	***

**Estimated SUPPLEMENTAL (FY2019) cost:** 0.0 *(separate supplemental appropriation required)*

**Estimated CAPITAL (FY2020) cost:** 0.0 *(separate capital appropriation required)*

**Does the bill create or modify a new fund or account?** No  
*(Supplemental/Capital/New Fund - discuss reasons and fund source(s) in analysis section)*

### ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? No  
 If yes, by what date are the regulations to be adopted, amended or repealed?

### Why this fiscal note differs from previous version/comments:

Initial Version based on the 2-13-19 Governor's FY2020 request.
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Division:	Tax Division	Date:	03/29/2019
Approved By:	Brad Ewing, Administrative Services Director	Date:	03/29/19
Agency:	Office of Management and Budget		

## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
2019 LEGISLATIVE SESSION**Analysis**

This bill would expand the taxpayer base of the vehicle rental tax to include digital peer-to-peer vehicle rental platforms. This bill does not change the current vehicle rental tax itself, but it does expand the taxpayer base and update definitions.

The Tax Division has collected an average of \$10.7 million in vehicle rental taxes over the past four years. In FY18, the revenue from the vehicle rental tax was \$10.6 million. This bill would expand the taxpayer base of the tax and therefore, would have a positive effect on revenue. However, the Tax Division has limited data on peer-to-peer rental information in Alaska and would need to make many assumptions to come up with an estimate. Therefore, the change in tax revenue is indeterminate.

This bill would not require the Department of Revenue to make material changes to its Tax Revenue Management System (TRMS). Therefore, there would be no cost to the Department of Revenue for implementation. After the implementation of the changes, this legislation would cause only a small additional administrative burden on the Tax Division.