

CS FOR SENATE BILL NO. 162(STA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - SECOND SESSION

BY THE SENATE STATE AFFAIRS COMMITTEE

Offered: 3/20/26

Referred: Finance

Sponsor(s): SENATOR CRONK

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to specie as legal tender in the state; and relating to borough and city**
2 **sales and use taxes on specie."**

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

4 *** Section 1.** AS 29.10.200(56) is amended to read:

5 (56) AS 29.45.650(c), (d), (e), (f), (i), (j), (k), [AND] (l), and (m)
6 (sales and use tax);

7 *** Sec. 2.** AS 29.10.200(57) is amended to read:

8 (57) AS 29.45.700(d), (e), (g), [AND] (h), and (i) (sales and use tax);

9 *** Sec. 3.** AS 29.45.650(a) is amended to read:

10 (a) Except as provided in AS 04.21.010(c), AS 29.45.750, and in (f), (h), (i),
11 (j), (k), [AND] (l), and (m) of this section, a borough may levy and collect a sales tax
12 on sales, rents, and services provided in the borough. The sales tax may apply to any
13 or all of these sources. Notwithstanding other statutes, exemptions may be granted by
14 ordinance. A borough may wholly or partially exempt a source from a borough sales

1 tax that is taxed by a city in that borough under AS 29.45.700.

2 * **Sec. 4.** AS 29.45.650 is amended by adding a new subsection to read:

3 (m) A borough may not levy or collect a sales or use tax on the value of the
4 gold or silver contained within specie during the sale or exchange of specie. This
5 subsection applies to home rule and general law municipalities. In this subsection,
6 "specie" has the meaning given in AS 44.12.400(d).

7 * **Sec. 5.** AS 29.45.700(a) is amended to read:

8 (a) A city in a borough that levies and collects areawide sales and use taxes
9 may levy sales and use taxes on all sources taxed by the borough in the manner
10 provided for boroughs. Except as provided in (d), (e), (g), [AND] (h), **and (i)** of this
11 section, the assembly may by ordinance authorize a city to levy and collect sales and
12 use taxes on other sources.

13 * **Sec. 6.** AS 29.45.700 is amended by adding a new subsection to read:

14 (i) A city may not levy or collect a sales or use tax on the value of the gold or
15 silver contained within specie during the sale or exchange of specie. This subsection
16 applies to home rule and general law municipalities. In this subsection, "specie" has
17 the meaning given in AS 44.12.400(d).

18 * **Sec. 7.** AS 44.12 is amended by adding a new section to read:

19 **Article 5. Legal Tender.**

20 **Sec. 44.12.400. Legal tender.** (a) To the fullest extent allowed by art. I, sec.
21 10, clause 1, of the Constitution of the United States, legal tender in the state includes
22 specie issued by

23 (1) the federal government at any time if the federal government
24 considers the specie legal tender;

25 (2) a foreign government if, at the time of a sale or exchange, the
26 foreign government considers the specie legal tender and the foreign government is

27 (A) recognized by the United States Department of State as
28 being the legitimate government of a country whose existence is recognized by
29 the United States and has not been designated as a foreign adversary under
30 federal law or regulation;

31 (B) a subnational unit of a government described in (A) of this

1 paragraph that is authorized by the laws of that government to issue its own
2 currency; or

3 (C) an international currency union made up exclusively of
4 countries described in (A) of this paragraph; or

5 (3) the state government if

6 (A) a court of competent jurisdiction, by final and unappealable
7 order, ruled the specie to be within state authority to designate as legal tender;
8 and

9 (B) the state government considers the specie legal tender.

10 (b) A person or governmental entity is not required to accept gold or silver
11 specie as tender.

12 (c) The Legislative Budget and Audit Committee shall study the possibility of
13 establishing additional forms of legal tender for the payment of debts, including public
14 charges, taxes, and other money owed to the state. The committee shall also study
15 consumer protections and consumer behavior related to the sale and use of specie. If
16 the committee determines that additional forms of tender are practical and beneficial,
17 the committee shall prepare legislation establishing an additional form of legal tender
18 for introduction.

19 (d) In this section,

20 (1) "legal tender" means a recognized medium of exchange for the
21 payment of debts;

22 (2) "specie" means gold or silver valued primarily based on its metal
23 content and in the form of

24 (A) coin; or

25 (B) bullion that is stamped or imprinted with its weight and
26 purity.