

Introduced: 2/4/76
Referred: Community &
Regional Affairs

1 IN THE HOUSE

BY MCKINNON

2 HOUSE BILL NO. 685

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act exempting certain items from sales tax."

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 * Section 1. AS 29.53.415(a) is amended to read:

9 (a) A borough may levy and collect a sales tax not exceeding three
10 per cent on sales [OR RENTS,] and on services made within the borough.
11 The sales tax may apply to either or both [ANY OR ALL] of these sources
12 but may not apply to rent, prescription drugs or food products for human
13 consumption, nor may it apply to the sales of any energy source such as
14 electricity, fuel oil, coal, or natural or manufactured gas when the
15 energy source is sold for use in a residence by an occupant. Addi-
16 tional exemptions [EXEMPTIONS] may be granted by ordinance.

17 * Sec. 2. AS 29.53.415 is amended by adding a new subsection to read:

18 (e) For the purpose of this section "food products" includes,
19 except as otherwise provided in this section, but is not limited to,
20 cereals and cereal products; milk and milk products, including ice cream;
21 oleomargarine; meat and meat products; poultry and poultry products;
22 fish and fish products; eggs and egg products; vegetables and vegetable
23 products; fruit and fruit products; spices, condiments and salt; sugar
24 and sugar products; coffee and coffee substitutes; tea, cocoa products;
25 or any combination of these. "Food products" does not include

26 (1) medicines, tonics, vitamins and medicinal preparations
27 in any form;

28 (2) carbonated and noncarbonated packaged soft drinks and
29 diluted juices where sold in liquid or frozen form; and ice and candy;

1 (3) foods and drinks (which include meals, milk and milk
2 products, fruit and fruit products, sandwiches, salads, processed meats
3 and seafoods, vegetable juices, ice cream in cones or small cups)
4 served, prepared or sold ready for immediate consumption in or by
5 restaurants, drug stores, lunch counters, cafeterias, hotels or like
6 places of business or sold ready for immediate consumption from push
7 carts, motor vehicles, or any other form of vehicle; however, food and
8 drinks purchased by a common carrier for the purpose of serving passen-
9 gers traveling en route aboard the carrier are exempt.
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