

1 IN THE HOUSE

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HOUSE BILL NO. 260

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IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

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For an Act entitled: "An Act establishing an excise tax on the sale of
7 smokeless tobacco; and providing for an effective
8 date."

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

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* Section 1. AS 43.50 is amended by adding new sections to read:

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ARTICLE 3. EXCISE TAX ON SMOKELESS TOBACCO.

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Sec. 43.50.300. EXCISE TAX LEVIED. A tax of \$.01 is levied on
13 the sale of each .1 ounce of smokeless tobacco.

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Sec. 43.50.310. EXEMPTIONS. A sale is exempt from the tax if
15 the sale

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(1) is casual, isolated, and not made in the ordinary
17 course of business; or

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(2) is of goods sold for resale in the ordinary course of
19 business.

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Sec. 43.50.320. SELLER TO COLLECT TAX. A seller shall collect
21 the tax from the purchaser on each sale of smokeless tobacco during
22 the tax year and remit the tax collected under this section during a
23 tax year to the department on or before August 1 of the following tax
24 year.

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Sec. 43.50.330. ACCOUNTING FOR AND DISPOSITION OF TAX COLLECTED.

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(a) The taxes collected under AS 43.50.300 - 43.50.390 shall be
27 deposited in the general fund.

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(b) The commissioner of administration shall separately account
29 for the taxes that are deposited in the general fund under (a) of this

1 section. The annual estimated balance in the account may be used by
2 the legislature to make appropriations for health care, health re-
3 search, health promotion, and health education programs.

4 Sec. 43.50.340. ANNUAL REPORT. The department shall submit to
5 the legislature by the first day of each regular legislative session a
6 report indicating the amount of the taxes collected under AS 43.50.-
7 300 - 43.50.390 during the tax year that ends on the June 30 preceding
8 the session.

9 Sec. 43.50.390. DEFINITIONS. In AS 43.50.300 - 43.50.390,
10 (1) "smokeless tobacco" means chewing tobacco and snuff;
11 (2) "tax" means the tax levied by AS 43.50.300;
12 (3) "tax year" means a year beginning July 1 and ending the
13 following June 30.

14 * Sec. 2. This Act takes effect July 1, 1987.