

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 290

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act prohibiting municipal sales tax on purchases
7 made with certain food certificates; and providing
8 for an effective date."

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

10 * Section 1. AS 29.45.650(f) is amended to read:

11 (f) A borough may not levy and collect a sales tax on a purchase
12 made with (1) food coupons, food stamps, or other type of certificate
13 issued under 7 U.S.C. 2011 -- 2025 (Food Stamp Act); or (2) food
14 instruments, food vouchers, or other type of certificate issued under
15 42 U.S.C. 1786 (Special Supplemental Food Program for Women, Infants,
16 and Children). This subsection applies to home rule and general law
17 municipalities.

18 * Sec. 2. AS 29.45.700(a) is amended to read:

19 (a) A city in a borough that levies and collects areawide sales
20 and use taxes may levy sales and use taxes on all sources taxed by the
21 borough in the manner provided for boroughs. The assembly may by
22 ordinance authorize a city to levy and collect sales and use taxes on
23 other sources except purchases made with (1) food coupons, food
24 stamps, or other type of certificate issued under 7 U.S.C. 2011 --
25 2025 (Food Stamp Act); or (2) food instruments, food vouchers, or
26 other type of certificate issued under 42 U.S.C. 1786 (Special Supple-
27 mental Food Program for Women, Infants, and Children). This sub-
28 section applies to home rule and general law municipalities.

29 * Sec. 3. This Act takes effect July 1, 1987.