

CS FOR SENATE BILL NO. 42(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - FIRST SESSION

BY THE SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 3/10/93
Referred: L&C, FIN

Sponsor(s): SENATORS JACKO, Lincoln

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal taxation of alcoholic beverages; and providing for
2 an effective date."

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

4 * Section 1. AS 04.21.010(c) is amended to read:

- 5 (c) A municipality may not impose taxes on alcoholic beverages except a
- 6 (1) property tax on alcoholic beverage inventories;
- 7 (2) sales tax on alcoholic beverage sales if sales taxes are imposed on
- 8 other sales within the municipality; a sales tax imposed on alcoholic beverages in a
- 9 municipality with a population of 2,500 or fewer people or in a municipality that
- 10 had a population of 2,500 or fewer people on July 1, 1993, may be equal to or
- 11 higher than the sales tax imposed on other sales within the municipality but may
- 12 not be lower than the sales tax imposed on other sales within the municipality;
- 13 (3) sales tax on alcoholic beverage sales that was in effect before
- 14 July 1, 1985; and

1 (4) sales and use tax on alcoholic beverages if the sale of alcoholic
2 beverages within the municipality has been prohibited under AS 04.11.490.

3 * Sec. 2. AS 29.45.650(b) is amended to read:

4 (b) A borough levying a sales tax may also by ordinance levy a use tax on the
5 storage, use, or consumption of tangible personal property in the borough. The use tax
6 rate must equal the sales tax rate except as otherwise provided under
7 AS 04.21.010(c), and the use tax shall be levied only on buyers.

8 * Sec. 3. This Act takes effect July 1, 1993.