

CS FOR SENATE BILL NO. 261(TRA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE TRANSPORTATION COMMITTEE

Offered: 2/2/94
Referred: CRA, FIN

Sponsor(s): SENATOR SHARP

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal sales and use taxes involving air carriers; and
2 providing for an effective date."

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

4 * Section 1. AS 29.10.200(44) is amended to read:

5 (44) AS 29.45.650(c), (d), (e), [AND] (f), and (i) (sales and use tax);

6 * Sec. 2. AS 29.45.650(a) is amended to read:

7 (a) Except as provided in AS 04.21.010(c) and [IN (f) AND (h) OF] this
8 section, a borough may levy and collect a sales tax on sales, rents, and on services
9 provided in the borough. The sales tax may apply to any or all of these sources.
10 Exemptions may be granted by ordinance.

11 * Sec. 3. AS 29.45.650 is amended by adding a new subsection to read:

12 (i) A borough may not levy or collect a sales or use tax on an activity that
13 directly involves the carriage of individuals or goods for hire by a federally certificated
14 air carrier. This subsection applies to home rule and general law municipalities.

- 1 * Sec. 4. This Act is retroactive to January 1, 1993.
- 2 * Sec. 5. This Act takes effect immediately under AS 01.10.070(c).