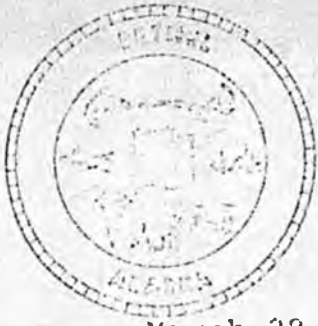


HB

232



CITY OF BETHEL

P. O. Box 358 • Bethel, Alaska 99559

543-2297 — Area Code 907

March 28, 1978

Representative Steve Cowper
Chairing, House Finance Legislative Committee
Pouch V
Juneau, Alaska 99811

RE: Senate Bill No. 182, and House Bill No. 232, "AN ACT
RELATING TO MUNICIPAL SALES TAX."

Dear Representative Cowper:

At the regular Bethel City Council Meeting of March 13, 1978, the Council passed Resolution No. 227, endorsing Senate Bill No. 182, and House Bill No. 232, "AN ACT RELATING TO MUNICIPAL SALES TAX." and encourages the State Legislature to pass and approve this legislation.

Although the City of Bethel has voted not to have the sale of intoxicating liquor under the local option this proposed legislation would give a municipality another option in administrating the necessary problems of alcohol. Since there exists such a variation in the size of communities in Alaska ranging from under 25, to a population of over 50,000, it seems quite difficult for the Alcohol Beverage Control Board to regulate each individual community. It is because of the varied sizes of communities in Alaska and the vast area in Alaska I believe that any legislation giving more local or regional control to the people that must inevitably live with the problems is the direction that the State must look at.

Going back to the two bills by giving a community the option to levy a higher sales tax on intoxicating liquor this could give each Community a revenue source that could eliminate many of the increased problems that arise from any community that does sell intoxicating liquor such as increased activity at the alcohol treatment centers, increased traffic problems, and increase social problems at home.

Sincerely,

Lyman Hoffman
City Manager

LH:lf

CITY OF BETHEL, ALASKA
RESOLUTION NO. 227

A RESOLUTION OF THE CITY OF BETHEL, ALASKA ENDORSING THE GOVERNORS REQUEST FOR AN ACT ENTITLED "AN ACT RELATING TO MUNICIPAL SALES TAX." IN THE FORM OF SENATE BILL NO. 182 AND HOUSE BILL NO. 232.

WHEREAS, these bills would enable a municipality to levey a sales tax at a higher rate on the sale of intoxicating liquor, and

WHEREAS, the City of Bethel has been dry since 1973, and has experienced numerous problems because of "bootleggers", and

WHEREAS, these bills would give the option to a municipality to provide regulations governing the barter, sale and possession of alcohol and the orderly conduct of business of selling intoxicating liquor.

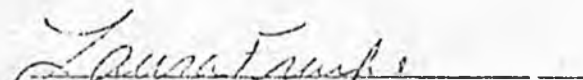
NOW THEREFORE BE IT RESOLVED THAT The City of Bethel, Alaska endorses Senate Bill No. 182, and House Bill No. 232, "An Act Relating to Municipal Sales Taxes", and encourages the State Legislature to pass and approve this legislation.

PASSED, APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF BETHEL, ALASKA THIS 27 DAY OF March, 1978.

APPROVED BY:


MAYOR

ATTEST:


CITY CLERK

1HB 232

February 18, 1977

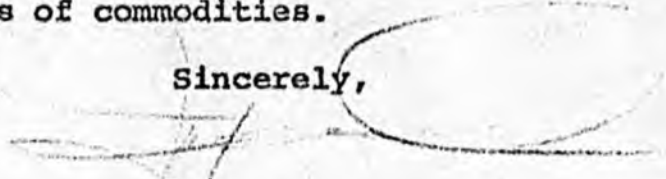
The Honorable Hugh Malone
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99811

Dear Mr. Speaker:

Under the authority of art. III, sec. 18 of the Alaska Constitution, and in accordance with AS 24.30.060 (b) and the Uniform Rules of the Alaska State Legislature, I am transmitting a bill which would expand the authority of general law municipalities in imposing taxes on liquor.

This bill has been requested by the Interdepartmental Coordinating Committee on Alcoholism to give incorporated communities greater flexibility in using a sales tax to generate revenues needed to pay some of the costs created by the use of alcohol. Section 1 would amend AS 04.15.070 (a) by removing its present prohibition against putting a tax on intoxicating liquor when other commodities are not taxed. Section 2 would amend AS 29.53.415 (a) to authorize the taxing of a single class of commodity, and expressly permit a higher rate on intoxicating liquor. It also permits the setting of various rates within the ceiling on different classes of commodities.

Sincerely,



Jay S. Hammond
Governor

THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 232
 Title An Act Relating to Municipal Sales Taxes
 Requested by Office of the Governor Date February 17, 1977

II. FISCAL DETAIL
 Agency Affected None
 Program Category Affected None
 Budget Request Unit(s) Affected None

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL		-0-	-0-	-0-	-0-	

FUNDING (Thousands of Dollars)

GENERAL FUND		-0-	-0-	-0-	-0-	
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

No State government activity or fiscal impact is implied by this proposed legislation.

IV. DATE February 17, 1977 PREPARED BY Ronald B. Lind
 AGENCY Division of Budget and Management
 PHONE 465-2213
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HOME RULE AND GENERAL LAW MUNICIPALITIES

Alaska State Constitution (Article X, Section 11)

HOME RULE POWERS. A home rule borough or city may exercise all legislative powers not prohibited by law or by charter.

AS 29.08.010. HOME RULE. A home rule municipality is a municipal corporation and political subdivision and is a borough of the first class or city of the first class which has adopted a home rule charter. It has all legislative powers not prohibited by law or charter.

AS 29.13.100. LIMITATION OF HOME RULE POWERS. Only the following provisions of this title apply to home rule municipalities as prohibitions on acting otherwise than as provided. They supersede existing, and prohibit future home rule enactments which provide otherwise:

(23) AS 29.53.415(d) (interest on sales tax) [8% ceiling]

AS 28. 78.010. DEFINITIONS. In this title, unless otherwise provided, or the context otherwise requires,

- (1) "borough" means a general law first or second class organized borough;
- (2) "city" means a general law first or second class city;

AS 29.43.020. . . . Cities outside boroughs may levy and collect sales and use taxes as provided by chap. 53 of this title for boroughs.

AS 29.53.440. Cities within a borough which levies and collects . . . [and]

AS 29.53.450. Cities within a borough which does not levy and collect . . .

sales or use taxes for areawide borough functions may levy and collect sales or use taxes in the manner provided for boroughs.