

HB

31

## *On alcohol*

Dear Editor:

I am a non - drinker, but perhaps I should change that. Recent proposals for increasing the taxes on alcoholic beverages inspire me to at least consider the above action — as a public service, you understand.

That is, if proper treatment of social ills such as alcoholism depends upon the availability of tax - monies generated by sale of booze (or whatever), then perhaps it becomes my duty as a citizen to help increase sales of the stuff (to generate more tax - revenue, to . . .).

Strange business indeed, eh?

**Charles Konigsberg**

P.S. Would we be wiser, perhaps, to orient our efforts more directly at helping to create the kind of Alaska in which alcoholic intake is not so important to so many people?



1 IN THE HOUSE

BY DUNCAN

2 HOUSE BILL NO. 31

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to municipal powers to tax the sale  
7 of alcoholic beverages."

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

9 \* Section 1. AS 29.53 is amended by adding a new section to read:

10 Sec. 29.53.416. SALES TAX LEVY ON ALCOHOLIC BEVERAGES. In addi-  
11 tion to taxes authorized by sec. 415 of this chapter, a borough which  
12 provides a program for the treatment of alcoholics and intoxicated  
13 persons may tax the sale of alcoholic beverages. The rate of levy of  
14 the tax may not exceed that rate which will provide revenue from the  
15 tax in an amount equal to the total expenditure made by the borough  
16 during the previous fiscal year on alcohol treatment programs and  
17 facilities.

18  
19 in addition to prop. tax + sales tax

20 Discuss relationship w/ HB 75

21  
22 treatment-tax tier is limiting

23  
24 limit tax rate?

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McCarton  
3% sales tax limitation  
need to change? (Many  
munic. are now  
at maximum)  
for gen. law  
munic.

*file w/ bill - LR file*

January 26, 1977

To; Lisa

From: Judith

Re: HB 31 - Taxation on Alcoholic Beverages

Per our conversation of 1/26/77 I wanted to put into writing some of the problems that are being put forth in regards to Mr. Duncan's Bill. As you know, the Governor's office, in conjunction with a number of agencies including the State Office of Alcoholism, is in the process of preparing a packet of (6) bills dealing with alcohol and alcohol related problems. The following are some of the concerns regarding HB 31:

"borough" may tax the sale of alcoholic beverages seemingly excludes 1st and 2nd class cities.

"treatment" seemingly excludes monies for taxation being applied to handle all other alcohol related concerns.

Monies for treatment programs are to be based on the previous fiscal year - the concern as I understand it, is that this will not allow for any expansion beyond maintenance level of alcohol treatment programs.

Original sponsor: ((( must be on all CS's )))

BY \_\_\_\_\_

HOUSE  
IN THE  
SENATE

CS for HOUSE BILL NO. 31

IN THE LEGISLATURE OF THE STATE OF ALASKA

TENTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to municipal powers to tax the sale of alcoholic beverages."

*law enforcement } alcohol related  
health & welfare } costs -  
corrections }*

*\* 1. - What if they collect too much?*

*tax on retail sales?*

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

\* Section 1. AS 29.53 is amended by adding a new section to read:

Sec. 29.53.416. SALES TAX LEVY ON ALCOHOLIC BEVERAGES. In addition to taxes authorized by sec. 415 of this chapter, a home rule or general law borough which provides a program for the <sup>prevention and?</sup> treatment of alcoholics and intoxicated persons may, by ordinance, tax the sale of alcoholic beverages. The <sup>\*</sup>rate of <sup>\*</sup>levy of the tax may not <sup>\*</sup>exceed that rate which <sup>\*</sup>will provide revenue from the tax in an amount equal to the <sup>\*</sup>total expenditure made by the borough during the previous fiscal year on alcohol treatment programs and facilities. *approp. byboro. - local contribution*

[The requirements of sec. 420 of this chapter do not apply to a sales tax levied under this section.] *delete to require referendum*

\* Sec. 2. AS 29.13.100 is amended by adding a new paragraph to read:

(37) AS 29.53.416 -- Sales tax levy on alcoholic beverages.

\* Sec. 3. AS 04.15.070(a) is amended to read:

(a) A municipality may by ordinance provide rules and regulations governing the barter, sale and possession of intoxicating liquor within

*\* round to nearest 1/2*

1 the municipality necessary to the orderly conduct of the business of  
2 selling intoxicating liquor. When, under a local option election, the  
3 city clerk finds the majority of the voters are against the sale of  
4 intoxicating liquor, the municipality, by ordinance, may make the  
5 sale of intoxicating liquor within the municipality a misdemeanor  
6 whether the sale is made pursuant to license or otherwise. The ordinance  
7 may not be inconsistent with this title or the rules and regulations  
8 promulgated under this title. Except as authorized by AS 29.53.416, no  
9 [NO] municipality may impose taxes other than property taxes on liquor  
10 inventories and sales taxes on liquor sales when these taxes are levied  
11 on other property and sales within the municipality.

12  
13 ~~repeal last sentence by 04.15.070~~  
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DETAILED ANALYSIS OF PU  
STATE AWARD FUNDING SOURCE

	STATEWIDE AND REGIONAL PROGRAMS	TOTAL PROJECT COST	STATE ALCOHOLISM AWARD	STATE GENERAL FUNDS	NIAAA FORMULA/ PIPELINE	TITLE IVA,VI XVI
SW	NCA-AR	736,158	79,478	64,576	-0-	14,902
	ANCADA (RURAL CAP)	72,793	5,000	-0-	5,000FG	-0-
*	ANCADA (MINI-GRANTS)	385,000	-0-	-0-	-0-	-0-
*	Univ. of AK-CAAS	189,769	-0-	-0-	-0-	-0-
*	AFN	67,500	-0-	-0-	-0-	-0-
*	AK NATIVE HEALTH BOARD	39,600	-0-	-0-	-0-	-0-
*	SOA-Prevention	25,000	-0-	-0-	-0-	-0-
*	SOA-Uniform Act	120,000	-0-	-0-	-0-	-0-
*	SOA-Formula Grant	200,000	-0-	-0-	-0-	-0-
*	SOA-Pipeline Grant	650,000	-0-	-0-	-0-	-0-
	ALMEA	200,000	200,000	-0-	200,000PL	-0-
	<u>REGIONAL PROGRAMS</u>					
I	Unalaska Council	136,020	226,800	26,800	-0-	-0-
II	BARROW Council	54,730	54,730	-0-	54,730PL	-0-
III	Bethel Council	132,214	93,500	93,500	-0-	-0-
*	Kasigluk Council	5,000	-0-	-0-	-0-	-0-
*	Kwigillingok Council	10,000	-0-	-0-	-0-	-0-
*	Nunapitchuk Council	10,000	-0-	-0-	-0-	-0-
IV	Norton Sound Health Com.	126,121	85,430	85,430	-0-	-0-
V	Dillingham	31,505	22,100	-0-	22,100FG	-0-
VI	Seward	43,900	34,700	-0-	34,700PL/FG	-0-
	Valdez	65,260	65,260	-0-	65,260PL	-0-
VII	GAAB	1,474,610	877,466	567,470	109,438PL	144,896
*	Eklutna Council	10,000	-0-	-0-	-0-	-0-
VIII	Copper Center	55,000	55,000	-0-	55,000PL	-0-
IX	Kodiak Council	150,496	120,830	73,867	20,500FG	15,063
X	Mauneluk Inc. (Kotzebue)	52,700	36,981	31,403	-0-	5,578
XI	Fairbanks Native Assocl.	1,072,440	314,383	217,650	-0-	72,550
	Galena	18,667	14,000	9,750	4,250FG	-0-
	Upper Tanana (Tok)	128,600	13,700	13,700	-0-	-0-
XII	Yakutat	18,500	13,875	13,875	-0-	-0-
	Juneau - ACA	280,305	55,260	-0-	55,200FG	-0-
	- Gastineau Man.	69,024	35,160	4,880	30,280FG	-0-
	Sitka	105,451	79,380	66,536	-0-	12,844
	Petersburg	36,093	27,070	-0-	27,070	-0-
	Wrangell	35,813	26,860	26,860	-0-	-0-
	Ketchikan	142,147	58,101	49,405	-0-	8,696
*	Mt. Edgecumbe High Scho.	62,300	-0-	-0-	-0-	-0-
*	Juneau AK Native Broth.	5,000	-0-	-0-	-0-	-0-
	TOTALS	7,044,109 6,194,109✓	2,395,004	1,345,702	691,578	247,529

✓ Total does not include 650,000 S.O.A. PIPELINE and 200,000 S.O.A. FORMULA GRANTS since these monies are included in the "Total Project Cost" for the individual programs that received these monies, through a State Office of Alcoholism grant.

CODING NOTATIONS:

\*NIAAA DIRECT GRANT

Table 2.

PUBLIC ALCOHOL EXPENDITURES, FY 1976

TOTAL OTHER FEDERAL INCOME	OTHER FEDERAL FUNDING SOURCES				MISC. FUNDING		SERVICES & PURPOSES
	NIAAA DIRECT GRANTS	COOP. & REGIONAL AFFAIRS GRANT	OTHER FEDERAL GRANTS	3RD PARTY PAYMENTS (VA, BIA)	OTHER CASH LOCAL GOVT. PROJECT, INC.	IN-KIND CONTRI.	
656,680	656,680	-0-	-0-	-0-	-0-	-0-	3,4
54,219	54,219	-0-	-0-	-0-	-0-	13,574	6
385,000	385,000	-0-	-0-	-0-	-0-	-0-	6
189,769	189,769	-0-	-0-	-0-	-0-	-0-	1,2
67,500	67,500	-0-	-0-	-0-	-0-	-0-	3,4
39,600	39,600	-0-	-0-	-0-	-0-	-0-	1
25,000	25,000	-0-	-0-	-0-	-0-	-0-	3
120,000	120,000	-0-	-0-	-0-	-0-	-0-	1
200,000	200,000	-0-	-0-	-0-	-0-	-0-	to programs
650,000	650,000	-0-	-0-	-0-	-0-	-0-	to programs
-0-	-0-	-0-	-0-	-0-	-0-	-0-	2,3,4
36,220	-0-	-0-	86,220 A	-0-	-0-	23,000	2,3,4,6 a,b
-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,5,6; a,c
950	-0-	-0-	950 B	-0-	32,364	5,400	2,3,6; a,b,c
5,000	5,000	-0-	-0-	-0-	-0-	-0-	6 Unspecific
10,000	10,000	-0-	-0-	-0-	-0-	-0-	6 Unspecific
10,000	110,000	-0-	-0-	-0-	-0-	-0-	6 Unspecific
-0-	-0-	-0-	-0-	-0-	-0-	40,691	1,2,3,5, b,c
-0-	-0-	-0-	-0-	-0-	-0-	9,405	3,6; a,c
-0-	-0-	-0-	-0-	-0-	2,000	7,200	6 Unspecific
-0-	-0-	-0-	-0-	-0-	-0-	-0-	3,6; a,c
333,353	156,110	84,440	-0-	83,550	234,879	156,450	1,2,3,5,6 a-
10,000	10,000	-0-	-0-	-0-	-0-	-0-	6 Unspecific
-0-	-0-	-0-	-0-	-0-	-0-	-0-	6 a
-0-	-0-	-0-	-0-	-0-	29,166	500	2,3,5,6 a-e
-0-	-0-	-0-	-0-	-0-	-0-	15,719	6 a,c
657,000	235,000	404,000	18,000 C	-0-	-59,050	42,007	1,2,3,5,6 ac
-0-	-0-	-0-	-0-	-0-	-0-	4,667	3,6 a,b,d
114,900	114,900	-0-	-0-	-0-	-0-	-0-	1,6 a
-0-	-0-	-0-	-0-	-0-	1,775	2,850	6 a,c
116,362	116,362	-0-	-0-	-0-	108,743	-0-	1,2,3,5,6 a,
16,464	-0-	-0-	-0-	16,464	9,000	8,400	6 e
-0-	-0-	-0-	-0-	-0-	2,000	24,071	6 a,c
-0-	-0-	-0-	-0-	-0-	4,023	5,000	3,5,6 a,c
-0-	-0-	-0-	-0-	-0-	5,103	3,850	6 a,b,c
40,120	40,120	-0-	-0-	-0-	25,290	18,636	3,6 a,c,d,e
62,300	62,300	-0-	-0-	-0-	-0-	-0-	4 Unspecific
5,000	5,000	-0-	-0-	-0-	-0-	-0-	
3,855,437	3,152,560	497,693	105,170	100,014	412,258	381,420	

A. BEEP Grant  
 B. LEAA Grant  
 C. CMA Grant

1 - Research  
 2 - Training  
 3 - Prevention  
 4 - Info &  
 Education  
 5 - Community  
 Planning &  
 Development

TOTAL \$ EXPENDED: 6,194,109

NIAAA Direct to