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COMMITTEE REPORT

HOUSE

3/29  
Ruler

(11)

FURTHER:

3/22/82

Date: 3-25-82

Mr. Speaker:

The Committee on FINANCE has had HB 838

"An Act increasing the liquor tax; and providing for an effective date."

under consideration and ~~(a majority of the committee)~~ ~~(the committee)~~ reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for HB 838 (FINANCE)  same title  
 new title  
and <sup>may</sup> recommends ~~with attached amendments~~ do pass
- AND attaches a "Letter of Intent"  New Fiscal Note #32 HJS = 32
- reports it back without recommendation 7.500  
-0- 1 zero note attached to Bill
- referred to the \_\_\_\_\_ Committer

MEMBERS SIGNING  
DO PASS

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Donald [Signature] Cuddy  
Jack [Signature] Chubbuck  
Jack [Signature] Fuller  
Wynn [Signature] Hurlbut  
[Signature] Loring  
Russ [Signature] Mickins  
Albert [Signature] Adams

San Costa no rec  
Do NOT Pass - Montgomery  
R. Bettinmont no rec

Albert [Signature]  
CHAIRMAN

COMMITTEE REPORT  
HOUSE

3/22

FURTHER:

FINANCE

(7)

2/16/82

Date: Apr. 22, 82

Mr. Speaker:

The Committee on JUDICIARY has had HB 838

"An Act increasing the liquor tax; and providing for an effective date."

under consideration and ~~(a majority of the committee)~~ ~~(the committee)~~ reports it back with the following recommendations:

- do pass  do not pass
- do pass with attached amendments(s)
- replace with CS for \_\_\_\_\_  same title  
 new title
- and recommends \_\_\_\_\_

- AND attaches a "Letter of Intent" [3] *New Fiscal Note*
- reports it back without recommendation { 23 ero notes
- referred to the Finance *already referred to Finance* Committee *Supp 29*

MEMBERS SIGNING  
DO PASS

Charles Anderson  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

MEMBERS HAVING  
OTHER RECOMMENDATIONS:

Patrick D. O'Sullivan No Rec.  
Robert F. Pell No Rec.  
R. Barnes Ch No Rec

Lenora Barnes  
CHAIRMAN

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2300

April 1, 1982

The Honorable John G. Fuller  
Chairman  
House Rules Committee  
Room 204 - Capitol Building  
Juneau, Alaska

Re: CS for House Bill No. 838 (Judiciary)

Dear Mr. Fuller:

CS for House Bill No. 838 (Judiciary), an Act relating to the tax on alcoholic beverages, was referred on March 29, 1982 by the House Finance Committee to the House Rules Committee.

For the consideration of the House Rules Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Robert R. Kessel, Director, Audit Division and Mr. Vincent Wright, Chief, Research Section of the Department of Revenue concerning the Committee Substitute.

Sincerely,



R. D. Stevenson  
Special Assistant

### Enclosures

cc: Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

Robert R. Kessel, Director  
Audit Division  
Department of Revenue

Vincent Wright, Chief  
Research Section  
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS for HB 838  
Title: An Act increasing the liquor tax  
Requested by: House Finance

Date: March 31, 1982

II. FISCAL DETAIL

Agency Affected: Department of Revenue  
Program Category Affected: Revenue Collection and Management  
BRU, Program, or Subprogram(s) Affected: Audit Division  
(Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)	None			FY 85	FY 86	FY 87
	FY 82	FY 83	FY 84			
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)	None			FY 85	FY 86	FY 87
	FY 82	FY 83	FY 84			
GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS	None			FY 85	FY 86	FY 87
	FY 82	FY 83	FY 84			
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

See attached memo to R. D. Stevenson dated March 31, 1982.

IV. DATE: March 31, 1982

PREPARED BY: Robert R. Kessel  
AGENCY: Audit Division  
PHONE: 465-2320

Original: Legislative Finance  
cc: Budget and Management  
Prime Sponsor (First Legislator Named)  
33-001 (Rev. 12/81)

*Robert R. Kessel*

M E M O R A N D U M

TO: R. D. Stevenson  
Special Assistant

FRGM: Robert R. Kessel  
Director, Audit Division

DATE: March 31, 1982

RE: CS for HB 838 (Finance)

In addition to increasing the taxes on alcoholic beverages, CS for HB 838, in general, updates the statute to conform with terminology which is currently in vogue. Alcoholic beverages is substituted for the current terminology of intoxicating liquor.

It would appear that two other considerations should be given to the writing of this bill:

- 1) The title for Chapter 60 be changed to "Excise Tax on Intoxicating Liquor";
- 2) All sections of Chapter 60 in addition to those now specifically covered by the proposed bill should be modified for language conformance.

Section 2 of the bill provides for an annual adjustment of the rate of tax based on changes in the cost of living as reflected in the consumer price index for Anchorage, Alaska. There apparently has not been an increase in the rate of tax per gallon for many years. Therefore, the continuous increase in sales prices of liquor over the years has not directly resulted in additional revenue for Alaska. The only increase in liquor tax collections for Alaska resulted from more consumption per capita and a population increase.

Many taxes, including sales and income, produce more tax revenue as inflation occurs. This happens because of the progressive rates for income taxes and the increased sales prices of products for sales tax. Section 2 of this bill provides the opportunity for Liquor Excise Tax collections to grow right along with inflation.

RRK/gb

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS HB 838  
 Title: An act increasing the liquor tax.  
 Requested by: House Finance Date: 03/26/82

II. FISCAL DETAIL

Agency Affected:  
 Program Category Affected:  
 BRU, Program, or Subprogram(s) Affected:  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	7,500	8,100	9,900	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

The above General Fund amounts are in addition to receipts estimated for existing law of about (in thousands of dollars) 9,000 per fiscal year from 1983-1985, bringing total liquor tax receipts under this proposal to the following:

FY	Tax (\$ thous.)
83	16,500
84	17,100
85	18,900

IV. DATE: 03/26/82 PREPARED BY: Vincent D. Wright  
 AGENCY: Revenue  
 PHONE: 465-2174  
 Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: CS HB 838  
 Title: An act increasing the liquor tax.  
 Requested by: House Finance Date: 03/26/82

II. FISCAL DETAIL

Agency Affected:  
 Program Category Affected:  
 BRU, Program, or Subprogram(s) Affected:  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	7,500	8,100	9,900	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

The above General Fund amounts are in addition to receipts estimated for existing law of about (in thousands of dollars) 9,000 per fiscal year from 1983-1985, bringing total liquor tax receipts under this proposal to the following:

FY	Tax (\$ thous.)
83	16,500
84	17,100
85	18,900

IV. DATE: 03/26/82

PREPARED BY: Vincent D. Wright  
 AGENCY: Revenue  
 PHONE: 465-2174

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST  
 Bill/Resolution No. HOUSE BILL NO. 838  
 Title "An Act increasing the liquor tax; and providing for an effective date"  
 Requested by \_\_\_\_\_ Date 3/15/82

II. FISCAL DETAIL  
 Agency Affected Department of Health & Social Services  
 Program Category Affected Office of Alcoholism/Drug Abuse  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						
POSITIONS	-0-	-0-	-0-	-0-	-0-	-0-
FULL TIME						
PART TIME						
TEMPORARY						
	-0-	-0-	-0-	-0-	-0-	-0-

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

IV. DATE March 15, 1982 PREPARED BY Robert L. Cole *R.L.C. by Gary Hummel*  
 AGENCY Office of Alcoholism/Drug Abuse  
 Original: Legislative Finance PHONE 586-6201  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution Number: HB 838  
 Title: An Act increasing the liquor tax.  
 Requested by: House Judiciary & Finance Committees Date: 03/19/82

II. FISCAL DETAIL

Agency Effected: Department of Revenue  
 Program Category Effected:  
 BRU, Program, or Subprogram(s) Effected:  
 (Note: If more than one budget component is effected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES	-	-	-	-	-	-
200 TRAVEL	-	-	-	-	-	-
300 CONTRACTUAL	-	-	-	-	-	-
400 COMMODITIES	-	-	-	-	-	-
500 EQUIPMENT	-	-	-	-	-	-
600 LAND & STRUCTURES	-	-	-	-	-	-
700 GRANTS, CLAIMS, ETC	-	-	-	-	-	-
800 MISCELLANEOUS	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

FUNDING (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
GENERAL FUND	0	3,101	3,117	3,232	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER (Specify Source)	-	-	-	-	-	-

POSITIONS

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
FULL TIME	-	-	-	-	-	-
PART TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

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

The above General Fund amounts are in addition to receipts estimated for existing law of about (in thousands of dollars) 9,000 per fiscal year from 1983-1985, bringing the total liquor tax under this proposal to the following:

FY	Tax (\$ thous.)
83	12,101
84	12,117
85	12,232

IV. DATE: 03/19/82

PREPARED BY: Vincent D. Wright *VW*  
 AGENCY: Research  
 PHONE: 455-2174

Original: Legislative Finance  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

THE LEGISLATURE OF THE STATE OF ALASKA  
TWELFTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HOUSE BILL NO. 838  
 Title "An Act increasing the liquor tax; and providing for an effective date".  
 Requested by \_\_\_\_\_ Date 3/15/82

II. FISCAL DETAIL

Agency Affected Department of Health & Social Services  
 Program Category Affected Office of Alcoholism/Drug Abuse  
 BRU, Program, Or Subprogram(s) Affected \_\_\_\_\_  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

FUNDING (Thousands of Dollars)

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

FULL TIME						
PART TIME						
TEMPORARY						
	-0-	-0-	-0-	-0-	-0-	-0-

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

IV. DATE March 15, 1982 PREPARED BY Robert L. Cole *R.L.C. by George Hendley*  
 AGENCY Office of Alcoholism/Drug Abuse  
 Original: Legislative Finance PHONE 586-6201  
 cc: Budget and Management  
 Prime Sponsor (First Legislator Named)  
 33-001 (Rev. 12/81)

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 838  
 Title An Act increasing the liquor tax.  
 Requested by Adams Date February 23, 1982

II. FISCAL DETAIL

Agency Affected Department of Revenue  
 Program Category Affected Revenue Collection and Management  
 BRU, Program, Or Subprogram(s) Affected Audit Division  
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars) None.

	FY 82	FY 83	FY 84	FY 85	FY 86	FY 87
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITION None

FULL TIME						
PART TIME						
TEMPORARY						

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

See attached memo to R. D. Stevenson dated February 23, 1982.

IV. DATE February 23, 1982 PREPARED BY Robert R. Kessel

AGENCY Audit Division

Original: Legislative Finance PHONE 465-2320

cc: Budget and Management

Prime Sponsor (First Legislator Named)

33-001 (Rev. 12/81)

# STATE OF ALASKA

## DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

JAY S. HAMMOND, GOVERNOR

POUCH 5  
JUNEAU, ALASKA 99811  
PHONE: (907) 465-2300

February 25, 1982

The Honorable Ramona L. Barnes  
Chairwoman  
House Judiciary Committee  
Room 122 - Capitol Building  
Juneau, Alaska

Dear Ms. Barnes:

Re: House Bill No. 838

House Bill No. 838, an Act increasing the liquor tax, was introduced in the House on February 16, 1982 and was referred to the House Judiciary and Finance Committees.

For the consideration of the House Judiciary Committee, I am enclosing copies of Fiscal Notes prepared by Mr. Robert R. Kessel, Director, Audit Division and Ms. Mary Ellen Frank, Economist, Research Section of the Department of Revenue concerning the proposed legislation.

Sincerely,



R. D. Stevenson  
Special Assistant

Enclosures

cc: The Honorable Albert P. Adams  
Chairman  
House Finance Committee

Joseph K. Donohue  
Deputy Commissioner  
Department of Revenue

Robert R. Kessel, Director  
Audit Division  
Department of Revenue

Vincent Wright, Chief  
Research Section  
Department of Revenue

increasing liquor tax

110858  
Adams

notification ok Judiciary + finance

~~for~~  
fiscal notes ok

Doubles the taxes collected on  
alcoholic beverages, and ties  
future increases into inflation