

**SB**

**240**

SFIN

FILE

**SENATE COMMITTEE REPORT  
First Committee of Referral**

DATE: 1/15/98

FURTHER: 2/11/98

Date of 5-Day Notice: \_\_\_\_\_  
(in accordance with Uniform Rule 23)

DATE TURNED  
IN TO OFFICE: 11 Feb 98

Finance Committee considered SENATE BILL NO. 240

"An Act repealing the tax on punchboards and coin-operated amusement and gaming devices; and providing for an effective date."

and recommends:

- be replaced with \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- adopt previous \_\_\_\_\_ CS \_\_\_\_\_ (\_\_\_\_\_)
- attached amendment(s)
- adopt Letter of Intent by \_\_\_\_\_ Committee
- further referral to the \_\_\_\_\_ Committee

- Senate Bill:**
- same title
  - new title
- House Bill:**
- same title
  - technical title
  - new: SCR# \_\_\_\_\_

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	NR	JNP	AM
<i>Rep. E. C. ...</i>	<input checked="" type="checkbox"/>				
<i>Gov. ...</i>	<input checked="" type="checkbox"/>				
<i>...</i>	<input checked="" type="checkbox"/>				
<i>...</i>					
<i>...</i>					
<i>...</i>					
<b>CHAIR:</b> <i>Leace</i>	<input checked="" type="checkbox"/>	<b>CHAIR:</b>			

**NEW FISCAL NOTE(S):**

Department	Date	Zero	Fiscal
DOR, Income & Excise Ad	1/29/98	<input checked="" type="checkbox"/>	

**PREVIOUS FISCAL NOTE(S):\***

Department	Date	Zero	Fiscal

APPROPRIATION -- no fiscal note

\*include fiscal notes accompanying Governor's bill

2/11/98

Revision Date: \_\_\_\_\_ Dept. Affected: Revenue  
 Title: Repeal Coin-Operated Device Tax Program BRU: Revenue Operations  
 Component: Income and Excise Audit  
 Sponsor: (S) FIN  
 Requestor: (S) FIN COMPONENT SERIAL NO. 113

Expenditures/Revenues: (Thousands of Dollars)

OPERATING EXPENDITURES	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL EXPENDITURES						
CHANGE IN REVENUES ( )						
	0.0	0.0	0.0	0.0	0.0	0.0

FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1001 CBRF						
1048 University of AK receipts						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year cost \$ 0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

ANALYSIS: (Attach a separate page if necessary)

Repeal of the coin-operated devices tax program will help both businesses and department employees reduce workloads. The paperwork required from businesses and the effort used in processing tax returns is a low priority. Repeal of the program would free up time and resources to focus on increasing revenue from other tax programs. The division has had \$480,000 in reductions to the operating budget over the past three years and repealing low priority programs is necessary so that high priority (more revenue) programs can be effectively administered.

The current program collects \$90,000, shares \$32,000 back to local governments and costs \$15,000 to administer. Thus the net general fund revenue is \$43,000. This loss of revenue can be more than offset from redirecting resources to increase compliance in motor fuel, fisheries, tobacco, alcohol and corporate tax programs.

Prepared by: Robert Bartholomew, Deputy Director  
 Division: Income and Excise Audit Division  
 Approved by Commissioner: Wilson L. Condon  
 Agency: Revenue

Phone: 465-4773  
 Date: January 29, 1998  
 Date: January 29, 1998

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