

STATE OF ALASKA

DEPARTMENT OF REVENUE

Tax Division

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January 26, 2006

IMPORTANT CHANGES TO THE PASSENGER/RECREATIONAL VEHICLE RENTAL TAX AS 43.52

On January 26, 2006, Governor Murkowski signed an amendment (HCS SB 174 (FIN) am H, to the Passenger/Recreational Vehicle Rental Tax law AS 43.52. This amendment is effective January 27, 2006.

The amendment exempts rental trucks with a gross vehicle weight rating greater than 8,500 pounds and used or maintained primarily for the transportation of personal property and a vehicle provided by an automobile dealer to a customer as replacement transportation during warranty, recall, or service contract repairs if the dealer does not receive compensation from the customer. Effective January 27, 2006 do not collect vehicle rental tax on these two new exempt transactions.

The main language of this bill can be found online at www.legis.state.ak.us/basis by typing SB 174 in the "Bill Root".

Please e-mail your questions to Abigail Scott at Tax_VehicleRental@revenue.state.ak.us or call her at (907) 269-6630.