

### **15 AAC 52.010. Collection of vehicle rental tax and filing of returns**

(a) A person required under [AS 43.52.050](#) to collect from the renter and remit to the department a vehicle rental tax imposed by [AS 43.52.010](#) - [AS 43.52.099](#) shall (1) collect the tax from the renter at the completion or close of the lease or rental contract, regardless of billing practices, installment agreements, credit procedures, or bad debts; and (2) file one return for each calendar quarter for all leases and rentals that occurred during that calendar quarter and that are (A) subject to the tax; or (B) exempt under [AS 43.52.090](#) or [15 AAC 52.020](#) from the tax. (b) The taxes imposed in [AS 43.52.010](#) - [AS 43.52.099](#) apply to a lease or rental to a related person. (c) A person shall file the return required under [AS 43.52.050](#) on a form prescribed by the department, and on that form shall provide identification of the person filing the return, computation of the tax to be remitted, and the person's signature, made under penalty of perjury. For purposes of this subsection, "person" has the meaning given in [AS 43.05.290](#). (d) Subject to [15 AAC 05.310\(h\)](#), the filing of the return and the remittance of the total taxes must be made not later than April 30, July 31, October 31, and January 31, for the calendar quarters ending March 31, June 30, September 30, and December 31, respectively.

### **15 AAC 52.020. Exemptions from vehicle rental tax**

(a) For an exemption to be claimed under [AS 43.52.090](#), and at the time that the rental contract is executed, the lessor must (1) complete a government use exemption certificate (A) on a form prescribed by the department; or (B) incorporated, directly or as an addendum, into the lessor's form contract, if the incorporated material is substantially the same as the contents of the form described in (A) of this paragraph; (2) obtain, from the individual taking possession of the leased or rented vehicle, (A) a signed declaration, made under penalty of perjury, that the individual has reviewed the certificate and that, to the best of the individual's knowledge, the certificate is true, correct, and complete; and (B) proof of that individual's employment or official status, through the presentation of one or more of the following for examination by the lessor, except as provided in (c)(2)(B) of this section: (i) a valid photo identification card issued by or on behalf of a government agency or of a federal instrumentality described in (c)(1) of this section; (ii) the individual's business card, embossed with the seal of the government agency or federal instrumentality; (iii) a document directly billing the lease or rental to the government agency or federal instrumentality, or to a credit card issued to the government agency or federal instrumentality; (iv) a travel or purchase order issued by a government agency or federal instrumentality. (b) The completed government use exemption certificate must identify the renter, identify the government agency, federal instrumentality, or foreign government, and identify the item presented under (a)(2)(B) of this section as proof of exempt status. (c) The

department will not apply the vehicle rental tax requirements of [AS 43.52.010](#) - 43.52.099 and [15 AAC 52.010](#) - [15 AAC 52.099](#) to a lease or rental (1) for official use to a person that, under federal law, is immune from state taxation as an instrumentality of the federal government, including a federal credit union and the American Red Cross, if (A) a government use exemption certificate is completed as required under (a) and (b) of this section; and (B) the individual taking possession of the leased or rented vehicle presents proof of employment or official status as described in (a)(2)(B) of this section; or (2) to a foreign government, if (A) a government use exemption certificate is completed as required under (a) and (b) of this section; and (B) the individual taking possession of the leased or rented vehicle presents a valid tax exemption card issued under 22 U.S.C. 4301 - 4316 by the United States Department of State; a renter who presents that card is not required to present the proof described in (a)(2)(B) of this section. (d) If an individual executes a government use exemption certificate under (a) or (c)(1) of this section, and subsequently uses the vehicle for a period of time that is not authorized by the government agency or federal instrumentality for official use, the individual shall (1) inform the lessor upon return of the vehicle; and (2) pay any tax that is due on the difference between the total fees and costs for the lease or rental and the fees and costs authorized by the government agency or federal instrumentality. (e) If an individual executes a government use exemption certificate for a lease or rental that is not exempt, and if the individual fails to inform the lessor upon the return of the vehicle and pay the tax, the individual shall file a return and remit the tax to the department.

**15 AAC 52.030. Effect of extensions, renewals, or new or supplemental contracts.** In determining whether a lease or rental exceeds a period of 90 consecutive days and is not subject to the tax imposed in [AS 43.52.010](#) and 43.52.030, (1) the initial lease or rental contract must contain a written term exceeding 90 consecutive days; (2) an extension or renewal of, or a new or supplemental contract to, an initial lease or rental contract described in (1) of this section for a period of 90 days or less may be combined with the initial lease or contract if there is not a break in total consecutive days; and (3) a lease or rental contract that contains a term exceeding 90 consecutive days is subject to the tax if that lease or rental contract is closed or completed on or before the 90th day.

**15 AAC 52.091. Applicability to contracts executed before January 1, 2004** A tax imposed under [AS 43.52.010](#) - 43.52.099 applies to a lease or rental contract executed before January 1, 2004, but only to the fees and costs applicable to the portion of the lease or rental period that occurs after December 31, 2003.

**15 AAC 52.099. Definitions** In AS 43.52.010 - 43.52.099 and 15 AAC 52.010 - 15 AAC 52.099, unless the context requires otherwise, (1) "calendar quarter" means the period of three months of the calendar year, each beginning January 1, April 1, July 1, and October 1; (2) "day" means 24 consecutive hours; (3) "department" means the Department of Revenue; (4) "fees and costs" has the meaning given in AS 43.52.099; "fees and costs" (A) includes amounts paid to, or retained by, travel and other agents as a commission or fee for services related to a lease or rental; and (B) does not include (i) cancellation fees; (ii) adjustments made at the end of a contract for fuel, damages, towing fees, and overdue penalties; or (iii) separately itemized charges for pots, pans, linens, cellular telephones, child car seats, global positioning systems, and other personal property included in the lease or rental of a passenger or recreational vehicle; (5) "official use" does not include a lease or rental by a contractor either for the contractor's own account, as the agent of a government agency, or as the agent of an organization described in 15 AAC 52.020(c)(1), for use in the performance of a contract with that agency or organization; (6) "person" means an individual, firm, partnership, joint venture, government, association, corporation, estate, trust, receiver, or other group or combination acting as a unit; (7) "related person" means a person listed in 26 U.S.C. 267(b) (Internal Revenue Code); for purposes of this paragraph, 26 U.S.C. 267(b), as amended as of December 17, 1999, is adopted by reference; (8) "renter" means the person subject to the lease or rental contract with the lessor.