

NOTICE OF PROPOSED CHANGES TO TAXES FOR MOTOR FUEL, TOBACCO,
ALCOHOLIC BEVERAGES, AND MINING IN THE REGULATIONS OF THE
DEPARTMENT OF REVENUE

BRIEF DESCRIPTION

The Department of Revenue proposes to change regulations on excise taxes.

The Alaska Department of Revenue (department) proposes to repeal some existing regulations in the following chapters of Title 15 of the Alaska Administrative Code: 15 AAC 40, Motor Fuel Tax; 15 AAC 50, Tobacco Taxes and Sales; 15 AAC 52, Transportation Taxes; 15 AAC 60, Excise Tax on Alcoholic Beverages; and 15 AAC 65, Mining License Tax. The regulations are proposed for repeal because the regulations mimic existing statutes, are unnecessary, have been superseded, or are otherwise no longer in effect. In addition, the department proposes to make any necessary conforming changes resulting from the repeals. Other minor changes or repeals proposed by the public may also be considered by the department.

The Department of Revenue proposes to repeal or amend regulations under 15 AAC 40, Motor Fuel; 15 AAC 50, Tobacco Taxes and Sales; 15 AAC 52, Transportation Taxes; 15 AAC 60, Excise Tax on Alcoholic Beverages; and 15 AAC 65, Mining License Tax, of the Alaska Administrative Code including the following:

The following mimic existing statutes:

- (1) **Motor Fuel Tax, 15 AAC 40.600, Qualified dealer license;**
- (2) **Tobacco Taxes and Sales, 15 AAC 50.030(a), License fees;15 AAC 50.050(a) – (b), License transfer;15 AAC 50.060, License refunds;15 AAC 50.070, License revocation and suspension;**

The following are unnecessary, outdated, or superseded :

- (3) **Tobacco Taxes and Sales: 15 AAC 50.090(a) & (b), Cigarette tax, the regulation is outdated and has been superseded by AS 43.50.090;15 AAC 50.110(b) & (c), Tax credits and refunds, the form referenced no longer exists; 15 AAC 50.150, Manufacturer's report, a manufacturer's report is not required by statute;15 AAC 50.180(a) & (b), Penalties and interest, the subsections were written prior to tax stamps and are now superseded by statute;**
- (4) **Transportation Taxes: 15 AAC 52.091, Applicability to contracts executed before January 1, 2004, the regulation is outdated;**
- (5) **Excise Tax on Alcoholic Beverages: 15 AAC 60.010(b), Filing requirement, no statutory requirement to collect data exists; 15 AAC 60.060(b), Application for warehouse license; 15 AAC 60.080(b), Warehouse bonds; 15 AAC 60.090(b)(5), Revocation of warehouse license, these regulations are unnecessary; 15 AAC 60.110(a) & (b), Transition, the transition language is outdated;15 AAC 60.120, Penalty, the regulation is superseded by AS 43.05.220; 15 AAC 60.310(4), General definition, the references to real property are also proposed for repeal;**

- (6) **Mining License Tax: 15 AAC 65.010(d), When license is required**, the examples are too limiting; **15 AAC 65.020(a), Mining license application and renewal**, the placer miner language is outdated;

A conforming change is proposed to **15 AAC 60.050(a), Licensed warehouses**.

You may comment on the proposed regulation changes, including the costs to private persons of complying with the proposed changes, by submitting written comments to: Susan Jakonis, Income & Excise Tax Specialist, Alaska Department of Revenue, 550 W. 7th Ave., Ste. 500, Anchorage, AK 99501. Additionally, the Department of Revenue will accept comments by electronic mail to susan.jakonis@alaska.gov, or by facsimile at (907) 269-6644. **Comments must be received no later than 4:00 p.m., on December 31, 2019.**

You may submit written questions relevant to the proposed action to Susan Jakonis. The questions must be received at least 10 days before the end of the public comment period. The department will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and Tax Division website at (<http://www.tax.alaska.gov>).

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System, the Tax Division website, and by contacting Susan Jakonis.

After the public comment period ends on Tuesday, December 31, 2019, the department will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **You should comment during the time allowed if your interests could be affected.** Written comments received are public records and are subject to public inspection.

Statutory Authority: AS 43.05.080; AS 43.50.150; AS 43.50.370; AS 43.50.490; and AS 43.52.080.

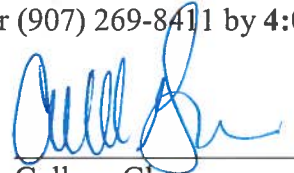
Statutes Being Implemented, Interpreted, or Made Specific: AS 43.05.010; AS 43.10.080; AS 43.40.100; AS 43.50.030; AS 43.50.050–.100; AS 43.50.335; AS 43.52.010–060; AS 43.60.010–.040; AS 43.65.010; and AS 43.65.030.

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

The department keeps a list of individuals and organizations interested in its regulations. Those on the list will automatically be sent a copy of all of the department's notices of proposed regulation changes. If you would like to be added or removed from the department's "Interested Parties" list server to receive email notification of any proposed action you may do so at <http://list.state.ak.us>. Simply scroll down to the links beginning with "tax-".

The department reserves the right to waive technical defects in this publication. Individuals with disabilities who may need auxiliary aides, services, or special modifications to participate in this process must contact the above address, email, or the TDD number (907) 269-8411 by **4:00 pm, December 18, 2019.**

November 22, 2019
Anchorage, Alaska



Colleen Glover
Director, Tax Division
(907) 269-6620