



## Alaska State Legislature Senate Majority News

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### **Senator Huggins Delivers a Tax Break to All Alaskans**

#### *SB 174 Exempts U-Hauls From Car Rental Tax*

(Juneau) – Alaskans will no longer have to pay a tax intended for tourists under legislation passed by the Alaska Legislature this afternoon.

Sen. Charlie Huggins (R – Rural Mat-Su/Chugiak) sponsored SB 174. His legislation corrects an unintended consequence of the state vehicle rental tax passed three years ago. The tax targeted the thousands of tourists who come to our state each year and rent passenger cars and recreational vehicles. But it didn't take long to discover that the tax was also imposed on U-Hauls and other similar rental trucks and vans used by Alaskans for transporting their personal property, driving up the cost of business in Alaska.

“It is a pleasure to be able to deliver tax relief to Alaskans, particularly when the tax was caused by unintended consequences. Alaskans can now do self-moves and not have to worry about incurring a burdensome tax,” said Sen. Huggins.

SB 174 also clarifies that rental vehicles, when provided by an automobile dealer to a customer as a replacement while their vehicle is undergoing warranty, recall or service contract repairs, are exempt from the rental tax.

The bill now goes to Governor Frank Murkowski for his signature.

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