



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Charlie Huggins
Current Version: HCS CSSB 174 (FIN)
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Fact Sheet for: Senate Bill 174

Short Title: EXEMPT UHAULS FROM VEHICLE RENTAL TAX

Summary:

- Exempts rental trucks used for the transportation of personal property from the state motor vehicle rental tax.
- Clarifies that rental vehicles, when provided by an automobile dealer to a customer as replacement transportation during warranty, recall, or service contract repairs, are exempt from imposed vehicle rental taxes.

Benefits:

- Prevents Alaskans from paying a tax intended for tourists.

Background:

- In 2003, the state passed a motor vehicle tax intended to raise revenue from visitors using the state's road system. SB 174 seeks to address an unintended consequence of the bill. It applied the tax to rental trucks used to move personal belongings. The legislation ensures only visitors, not Alaskans, pay the tax.