



30th Alaska State Legislature
House Finance Budget Subcommittee
Department of Revenue
FY18 Operating Budget

Chair:

Rep. Seaton
Capitol Room 505
465-2689

Members:

Rep. Kito
Capitol Room 403
465-4766

Rep. Wool
Capitol Room 412
465-4976

Rep. Josephson
Capitol Room 102
465-4939

Rep. Stutes
Capitol Room 406
465-2487

Rep. Knopp
Capitol Room 424
465-2693

Rep. Birch
Capitol Room 112
465-4931

Rep. Sullivan-Leonard
Capitol Room 420
465-4833

Rep. Thompson
Capitol Room 500
465-3004

Committee Aide:

Taneeka Hansen
465-3923

MEMORANDUM

DATE: March 6, 2017

TO: Representative Kito, Chair
Representative Wool, Vice-Chair
House Labor & Commerce Committee

Handwritten signature of Paul Seaton in black ink.

FROM: Representative Paul Seaton, Chair

RE: Request to Review Certain Statutory Changes

During our Department of Revenue Subcommittee closeout, the subcommittee agreed that the following proposals be forwarded to the House Labor & Commerce Committee for further review.

As the chair of the subcommittee, I am requesting that your committee consider legislation to repeal or to amend AS 43.60.010(c), which reduces the beer and malt beverages tax from \$1.07 a gallon to 35¢ a gallon for the first 60,000 barrels of beer sold in the state from a brewery who meets the U.S. definition of a small brewery. 35% of this reduced rate is claimed by out of state breweries. The estimated forgone revenue is \$2.6 million. Amending and updating this statute would create a level playing field for the alcohol industry.