

# Alaska State Legislature

Session  
State Capitol Bldg., Rm 208  
Juneau, AK 99801-1182  
Phone (907) 465-3777  
Fax (907) 465-2819



Interim  
716 W. 4<sup>th</sup> Ave, Suite 600  
Anchorage, AK 99501  
Phone (907) 269-0155  
Fax (907) 269-0154

Representative Pete Kott  
Speaker of the House  
*House District 17*

**FOR IMMEDIATE RELEASE:** February 27, 2004

**CONTACT:** Representative Pete Kott (907) 465-6578

## **Taxicab Exemption Bill Passes House**

(JUNEAU) – The House of Representatives has passed legislation to exempt taxicabs from the rental car tax. The House approved HB 347, sponsored by Representative Pete Kott (R-Eagle River), by unanimous vote.

Last year, the legislature passed a law levying excise taxes on the rental of passenger and recreational vehicles. This imposed a substantial and confusing burden on owner-lessors of taxicabs who would be required to collect excise taxes from the taxicab drivers, who lease these vehicles on a day-to-day basis. This was not the intent of the legislation.

Speaker Kott said of the legislation, “I’m pleased that the House has recognized the unintended effect of the vehicle rental excise tax we enacted last year. This legislation will correct the problem by ensuring that taxicabs lease holders do not pay vehicle rental taxes.” He went on to say, “Most people who lease taxicabs are small business people who work long hours to make ends meet. This bill will help make it easier for them to make a living.”

HB 347 now awaits action in the Senate.

###