

Kevin Meyer
Lieutenant Governor
State Capitol
Juneau, Alaska 99811
907.465.3520
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530 West 7th Ave, Suite 1700
Anchorage, Alaska 99501
907.269.7460
LT.GOVERNOR@ALASKA.GOV

**OFFICE OF THE LIEUTENANT GOVERNOR
ALASKA**

M E M O R A N D U M

TO: Genevieve Wojtusik
Department of Revenue

FROM: April Simpson, Office of the Lieutenant Governor
465.4081 

DATE: April 28, 2021

RE: Filed Permanent Regulations: Department of Revenue
Department of Revenue regulations re: alcoholic beverage excise tax (15 AAC 60.310)

Attorney General File:	2020200110
Regulation Filed:	4/28/2021
Effective Date:	5/28/2021
Print:	238, July 2021

cc with enclosures: Harry Hale, Department of Law
Judy Herndon, LexisNexis
Susan Jakonis, Income and Excise Tax Specialist

ORDER ADOPTING CHANGES TO REGULATIONS OF THE DEPARTMENT OF
REVENUE

The attached page of regulations, dealing with alcoholic beverage tax definitions, are adopted and certified to be a correct copy of the regulation changes that the Department of Revenue adopts under the authority of AS 43.05.080, and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

In considering public comments, the Department of Revenue paid special attention to the cost to private persons of the regulatory action being taken.

The regulatory changes adopted under this order take effect on the 30th day after they have been filed by the lieutenant governor, as provided in AS 44.62.180.

Date: _____

**Lucinda
Mahoney**

Digitally signed by Lucinda
Mahoney
Date: 2021.04.23 11:40:01
-08'00'

Lucinda Mahoney, Revenue Commissioner

FILING CERTIFICATION

April Simpson for
↑

I, Kevin Meyer, Lieutenant Governor for the State of Alaska, certify that on April 28,
2021
2020, at _____, m., I filed the attached regulations according to the provisions of AS 44.62.040
– 44.62.120.

Kevin Meyer

for

Lieutenant Governor

Kevin Meyer

Effective:

May 28, 2021

Register:

238, July 2021

FOR DELEGATION OF THE LIEUTENANT GOVERNOR'S AUTHORITY

**I, KEVIN MEYER, LIEUTENANT GOVERNOR OF THE STATE OF ALASKA,
designate the following state employees to perform the Administrative Procedures Act
filing functions of the Office of the Lieutenant Governor:**

**Josh Applebee, Chief of Staff
Kady Levale, Notary Administrator
April Simpson, Regulations and Initiatives Specialist**

**IN TESTIMONY WHEREOF, I have
signed and affixed the Seal of the State of
Alaska, in Juneau, on December 11th,
2018.**



A handwritten signature in blue ink, appearing to read "K. Meyer", is written over a horizontal dotted line.

**KEVIN MEYER
LIEUTENANT GOVERNOR**

15 AAC 60.310 is amended by adding a new paragraph to read:

(5) “malt beverages” means beverages that are brewed or produced from malt, wholly or in part, or from a substitute for malt, containing at least one percent of alcohol by volume. Malt beverages include beer, sake, kombucha, hard seltzers, and other similar products.

15 AAC 60.310 is amended by adding a new paragraph to read:

(6) “cider” means a fruit wine containing at least one-half of one percent of alcohol by volume, but not more than seven percent alcohol by volume, that is derived wholly from apples or pears, except for sugar, water, or added alcohol, and lacks vinous taste, aroma, and characteristics.

15 AAC 60.310 is amended by adding a new paragraph to read:

(7) “beer” has the meaning given in 26 U.S.C. 5052(a).

15 AAC 60.310 is amended by adding a new paragraph to read:

(8) “substitute for malt” means rice, grain of any kind, glucose, sugar, and molasses but does not include fruit, fruit juice, fruit concentrate, herbs, spices, or other food materials. (Eff. 8/7/1982, Register 83; am 5 /28 /2021, Register 238)

Authority:	AS 43.05.080	AS 43.60.011	AS 43.60.040
	AS 43.60.010	AS 43.60.020	


MEMORANDUM

State of Alaska Department of Law

To: The Honorable Kevin Meyer
Lieutenant Governor

Date: April 23, 2021

File No.: 2020200110

Thru: Susan R. Pollard 
Chief Assistant Attorney General
and Regulations Attorney
Legislation and Regulations Section

Tel. No.: 465-3600

From: Steven C. Weaver *SCW*
Senior Assistant Attorney General
Legislation and Regulations Section

Re: Department of Revenue regulations
re: alcoholic beverage excise tax
(15 AAC 60.310)

The Department of Law has reviewed the attached regulations of the Department of Revenue against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations. The regulations were adopted by the Department of Revenue after the close of the public comment period. The regulations update definitions for specific types of alcoholic beverages--including beer, cider, malt beverages, and substitutes for malt--and make technical touch-ups to use correct alphabetization and to reflect that some terms appear in AS 43.60 but not 15 AAC 60.

The September 10, 2020 public notice and the April 23, 2021 adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

SCW

cc w/enc: Hon. Lucinda Mahoney, Commissioner
Department of Revenue

Colleen Glover, Director
Tax Division
Department of Revenue

Nicole Reynolds, Deputy Director
Tax Division
Department of Revenue

Susan Jakonis, Income and Excise Tax Specialist
Tax Division
Department of Revenue

Jonathan P. Clement, Assistant Attorney General
Commercial, Fair Business, and Child Support Section

NOTICE OF PROPOSED CHANGES TO TAXES FOR ALCOHOLIC BEVERAGES IN THE
REGULATIONS OF THE DEPARTMENT OF REVENUE

BRIEF DESCRIPTION

The Department of Revenue proposes to change regulations on alcoholic beverage taxes.

The Alaska Department of Revenue (department) proposes to add regulations in Chapter 60 of Title 15 of the Alaska Administrative Code: 15 AAC 60, Excise Tax on Alcoholic Beverages. The proposed regulations define malt beverages and substitutes for malt, cider, and beer. Other minor changes or additions proposed by the public may also be considered by the department.

The Department of Revenue proposes to add regulations under 15 AAC 60, Excise Tax on Alcoholic Beverages of the Alaska Administrative Code as follows:

The following are necessary:

15 AAC 60.310(5)–(8), General definitions, additional definitions are required for newer alcoholic beverages.

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 Wednesday, October 14, 2020.**

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 Wednesday, October 14, 2020, 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.

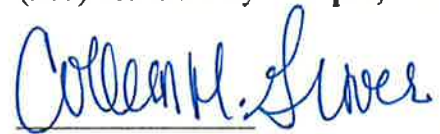
Statutes Being Implemented, Interpreted, or Made Specific: AS 43.60.010–.040.

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, Wednesday, October 7, 2020.**

September 4, 2020
Anchorage, Alaska



Colleen M. Glover
Director, Tax Division
(907) 269-1033

ADDITIONAL REGULATION NOTICE INFORMATION
(AS 44.62.190(d))

1. Adopting agency: Department of Revenue
2. General subject of regulation: Adding definitions for alcoholic beverages to include newer forms of alcohol
3. Citation of regulation (may be grouped): 15 AAC 60 section to be amended: 310
4. Department of Law file number, if any: 2020200110
5. Reason for the proposed action:

☐ Compliance with federal law or action (identify): _____
☐ Compliance with new or changed state statute
☐ Compliance with federal or state court decision (identify): _____
☐ Development of program standards
☒ Other (identify): The proposed regulations define malt beverages and substitutes for malt, cider, and beer.
6. Appropriation/Allocation: Tax Division, Revenue Operations
7. Estimated annual cost to comply with the proposed action to:

A private person: \$0. The department does not expect additional costs to a private person.
Another state agency: \$0. The department does not expect additional costs to any other state agency.
A municipality: \$0. The department does not expect additional costs to a municipality.
8. Cost of implementation to the state agency and available funding (in thousands of dollars):

	Initial Year FY <u>2021</u>	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>
1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ program	\$ <u>0</u>	\$ <u>0</u>

Other (identify) \$ 0 \$ 0

9. The name of the contact person for the regulation:

Name: Susan Jakonis
Title: Income & Excise Tax Specialist
Address: 550 W. 7th Ave., Ste. 500, Anchorage, AK 99501
Telephone: (907) 269-0082
E-mail address: susan.jakonis@alaska.gov

10. The origin of the proposed action:

☒ Staff of state agency
☐ Federal government
☐ General public
☐ Petition for regulation change
☐ Other (identify): _____

DocuSigned by:

11. Date: 9/4/2020

Prepared by: _____



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Susan M. Jakonis
Income & Excise Tax Specialist
Telephone: (907) 269-0082

ANCHORAGE DAILY NEWS

RECEIVED AFFIDAVIT OF PUBLICATION

Account #: 270235 ST OF AK/DEPT OF REVENUE/TAX IDIV
PO BOX 110420, JUNEAU, AK 99811

SEP 14 2020

Tax Division
Department of Revenue
Juneau, Alaska
STATE OF ALASKA
THIRD JUDICIAL DISTRICT

Order #: W0017752

Cost: \$418.34

Lisi Misa being first duly sworn on oath deposes and says that she is a representative of the Anchorage Daily News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the afore-said place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

09/10/2020

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed



Subscribed and sworn to before me
this 11th day of September 2020.

Notary Public in and for
The State of Alaska.
Third Division
Anchorage, Alaska

MY COMMISSION EXPIRES

4/14/21

ANGELA M SIMMONS
NOTARY PUBLIC
State of Alaska
My Commission Expires Apr. 14, 2021

NOTICE OF PROPOSED CHANGES TO TAXES FOR ALCOHOLIC BEVERAGES IN THE REGULATIONS OF THE DEPARTMENT OF REVENUE

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Statutory Authority: AS 43.05.080.

Statutes Being Implemented, Interpreted, or Made Specific: AS 43.60.010-.040.

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

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September 4, 2020
Anchorage, Alaska
By: /s/ Colleen M. Glover
Director, Tax Division
(907) 269-1033

Published: Sept. 10, 2020

ANCHORAGE DAILY NEWS

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Third Division
Anchorage, Alaska

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4/14/21

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NOTARY PUBLIC
State of Alaska
My Commission Expires Apr. 14, 2021

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September 4, 2020
Anchorage, Alaska
By: /s/ Colleen M. Glover
Director, Tax Division
(907) 269-1033

Published: Sept. 10, 2020

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION
AND FURNISHING OF ADDITIONAL INFORMATION

I, Susan Jakonis, Income and Excise Tax Specialist, of the Department of Revenue, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to Excise Tax on Alcoholic Beverages has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to every person who has filed a request for notice of proposed action with the state agency;
- (3) furnished to appropriate state officials;
- (4) furnished to interested persons;
- (5) furnished to the Department of Law, along with a copy of the proposed regulation;
- (6) furnished electronically to incumbent State of Alaska legislators;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1).

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (2), (4), and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

There is no notary public or other official empowered to administer oaths available to notarize this document as a result of social distancing requirements implemented statewide.

I certify under penalty of perjury that the foregoing is true.

Date: 10/21/2020

DocuSigned by:



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Susan Jakonis, Income and Excise Tax Specialist

State of Alaska
Anchorage

AFFIDAVIT OF AGENCY RECORD OF PUBLIC COMMENT

I, Susan Jakonis, Income and Excise Tax Specialist for the Department of Revenue, being duly sworn, state the following:

In compliance with AS 44.62.215, the Department of Revenue has kept a record of its use or rejection of factual or other substantive information that was submitted in writing as public comment and that was relevant to the accuracy, coverage, or other aspect of the Department of Revenue regulations on Alcoholic Beverage Taxes.

There is no notary public or other official empowered to administer oaths available to notarize this document as a result of social distancing requirements implemented statewide.

I certify under penalty of perjury that the foregoing is true.

Date: 10/21/2020

DocuSigned by:



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Susan Jakonis, Income and Excise Tax Specialist

State of Alaska
Anchorage