



# Alaska State Legislature

Representative Matt Claman

## HB 146 School Tax Bill

### Sectional Analysis

<u>Section</u>	<u>Statute</u>	<u>Change</u>	<u>Purpose or Effect</u>
1	<b>AS 43.23.092</b> PFD school tax payment	Amends	Adds the option for a PFD applicant to hold all or some of PFD to pay the proposed school tax
2	<b>AS 43.45.011</b> School tax imposed; payment by dividend	Adds new chapter	<b>Chapter 45. School Tax.</b>
		Adds new section AS 43.45.011	<ul style="list-style-type: none"> <li>a) Tax imposed on adjusted gross income (AGI) of: (1) residents and (2) non-residents with income from in-state source</li> <li>b) Lists tax liability for individuals based on tiered AGI levels</li> <li>c) Stipulates that               <ul style="list-style-type: none"> <li>(1) the AGI of                   <ul style="list-style-type: none"> <li>(A) a resident is the total AGI of the resident</li> <li>(B) a nonresident or part-year resident is the amount attributable to a source in the state</li> </ul> </li> <li>(2) the DOR shall assess the tax due on the AGI of                   <ul style="list-style-type: none"> <li>(A) individuals, for individual returns</li> <li>(B) 2+ individuals for joint filing (including dependents)</li> <li>(C) individual, if return is not filed</li> </ul> </li> </ul> </li> <li>d) Tasks the DOR with adopting procedures to allow use of PFD to pay the school tax, including refunding amounts exceeding the tax</li> <li>e) Defines regulations for the tax payer</li> </ul>

			<p>f) The department shall adopt regulations:</p> <p>(1) Delinquent payment annual interest rate is 18%</p> <p>(2) Establish fee of up to \$2,500 for the cost of collecting delinquent tax</p> <p>(3) Allow for a 90-day extension past due date (at the DOR's discretion)</p> <p>(4) Determine AGI subject to tax for joint filers if one of the filers is not a resident of the state</p> <p>g) Tax penalties shall be deposited into the general fund</p> <p>h) "adjusted gross income" has the meaning given in 26 U.S.C. 62</p>
3	Uncodified Law	Amended	REGULATIONS. DOR may adopt regulations to implement section 2
4	Effective Date		
5	Effective Date		