Department of Revenue



PFD DIVISION

333 Willoughby Avenue Juneau, Alaska 99801 Main: 907.465-2300

April 28, 2021

The Honorable Matt Claman House Judiciary Chair State Capitol Room 118 Juneau, AK 99801

Dear Representative Claman,

The purpose of this letter is to provide responses to the questions asked of the Department of Revenue on April 21, 2021, in the House Judiciary Committee.

How many active-duty military members or their family members were absent from Alaska in 2019 and 2020? How many millions of dollars are leaving the state?

For PFD years 2019 and 2020 the division identified an average of 10,000 individuals who claimed an allowable absence from Alaska for active-duty military or accompanying the active-duty military personnel. We estimate if this bill passes, it could mean that at least 50% of those individuals would not be eligible in the future. For 2019, the dividends for 10,000 individuals totaled \$16,060,000 and for 2020, the dividends totaled \$992,000. Estimating a 50% decrease in eligible applicants if this bill passes it would potentially reduce paid dividends by approximately \$8.5mm.

Where in Alaska statute and regulation is there language allowing snowbirds (for example) to be absent from Alaska up to 180 days?

Please see AS 43.23.008 and 15 AAC 23.163.

For those that volunteer in Peace Corps: How does this compare to someone in active military and how does that change with this bill?

If this bill passes with language repealing AS 43.23.005(a)(4), 43.23.005(f), and AS 43.23.008(e), all of which apply to **all** allowable absences under AS 43.23.008(a), the division will apply the law consistently and uniformly. Repealing these statutes will increase the number of eligible applicants each year that are absent on allowable absences under AS 43.23.008(a).

Will the application certification page still ask if the applicant plans to remain in Alaska? Yes.

The PFD applications, both paper and online, contain certification and acknowledgement language attesting to the applicant's intent to remain an Alaska resident, and understanding that untrue answers are subject to penalties or criminal prosecution. A copy of the certification language is included below.

If this bill passes with the repeal language for AS 43.23.005(a)(4), 43.23.005(f), and AS 43.23.008(e), one line will be removed from the PFD applications and is highlighted in the copy below, "I was physically present in the state of Alaska for at least 72 consecutive hours in 2019 or 2020." However, all other certification language will remain intact.

Image below: PFD application certification statement

By submitting this application with or without a signature, you	are consenting to registration with the U.S. Selective Service System, if so required by law.
READ THE FOLLOWING STATEMENTS AND SIGN BELOW Note: "Date of application" means the date on which an application for a dividend is timely filed or delivered per 15 AAC 23.993(b)(1)&(2).	
I certify that on the date of application:	- I am now and intend to remain an Alaska resident indefinitely I have not claimed residency in another state, territory, or country I was an Alaska resident for all of 2020 I was physically present in the state of Alaska for at least 72 consecutive hours in 2019 or 2020.
I understand that if what I say is not true, it is a criminal offense and if I am convicted, in addition to any criminal penalties:	- I will lose this and all future dividends. - I will be required to pay back all dividends I have been paid.
I understand that if I am a United States citizen and otherwise eligible to vote*: *Any questions regarding the automatic voter registration should be directed to the Division of Elections at (907) 465-4611	 I will be automatically registered to vote at the residential address provided on this application. I have the option to decline to be registered to vote by replying to an official letter I receive in the mail from Alaska's Division of Elections.
I understand that if I deliberately misrepresent or recklessly disregard a fact, I am liable for civil penalties:	- I could lose this dividend and the next five dividends I may have to pay a fine of up to \$3,000.
Dividend, including but not limited to confidential records from fin limited to Internal Revenue Service, Social Security Administration	

This application must be received by the PFD Division or postmarked by March 31, 2021. Mail to: Alaska Department of Revenue, PO Box 110462, Juneau, AK 99811-0462
Failure to disclose true and correct information constitutes fraud and can result in denial and/or civil and criminal penalties.

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Sincerely,

PFD Operations Manager

Corey Bigelow
Corey Bigelow