

whether for money or not, constitutes value where a certificate is taken either in satisfaction thereof or as security therefor.

(2) A thing is done "in good faith" within the meaning of this Act, when it

is in fact done honestly, whether it be done negligently or not.

**Sec. 24. Effective Date.** This Act shall take effect immediately upon its passage and approval or upon its becoming law without such approval.

Approved May 1, 1959

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## CHAPTER 149

### AN ACT

**To amend Ch. 41, Sec. 1, SLA 1957, as amended by Ch. 175, Sec. 1, SLA 1957, by providing that deductions may not be made from salaries of employees in certain circumstances.**

(S.B. 85)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. Sec. 1 of Ch. 41, SLA 1957, as amended by Sec. 1 of Ch. 175, SLA 1957, is hereby amended to read as follows:

**Section 1. Tax Imposed: Persons Subject to Tax: Amount: Payment: Due Date of Tax: Penalty for Delinquency.** There is hereby imposed upon all persons nineteen years of age or over who are gainfully employed in this state or on the waters thereof a school tax of \$10.00 per year except (1) those married women who are unemployed and whose support is entirely dependent upon the income of their husbands and whose husband has paid a school tax for the current year, and (2) those persons exempt under the provisions of Sec. 37-4-3 ACLA 1949.

The tax shall be due on January 1 and shall be paid not later than December 31 of the calendar year for which it is imposed. All employers upon the first regular payroll after January 1, of each calendar year or, in

the case of employees on later payrolls, on the first payroll after their employment, shall make deduction of such tax from the employee's salary or other compensation and transmit it to the Territorial Tax Commissioner on or before the last day of the following month, provided no deduction may be made in the first pay period from the compensation of persons casually employed unless the amount earned in such pay period is twenty-five dollars or more. Return forms for this purpose shall be prescribed and provided by the Tax Commissioner. A penalty of 20% shall be added to the amount of any tax delinquency hereunder and shall be levied against and paid by the taxpayer, is self-employed; said penalty shall otherwise be levied against and paid by the employer.

School tax receipts shall be prepared in quadruplicate by the Tax Commissioner; the original shall be retained and filed in the Commissioner's office, and three copies shall be transmitted to the tax-payer if self-employed, otherwise to the employer who shall retain one copy and forthwith deliver two copies to the employee.

Approved May 1, 1959

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## CHAPTER 150

### AN ACT

**Levying a gross premiums tax on insurance business transacted in Alaska by**

insurance companies not licensed to do business in the state under the laws of the state; amending Sec. 42-1-15, ACLA 1949 by adding a new paragraph thereto; requiring certain insureds dealing with unlicensed companies to report; and providing penalties.

(H.C.S.S.B. 86)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. Sec. 42-1-15, ACLA 1949 is hereby amended to read as follows:

**42-1-15. Penalty for Failure to File Statement or Pay Taxes: Certain Insured Dealing With Unlicensed Companies to Report.** Any company, corporation, association, firm or individual failing or refusing to render such statement and information, and to pay taxes herein specified, for more than thirty days after the time specified, shall be liable to a forfeiture of double the amount due for such license and shall be prohibited from doing any more business in the State until such fine is paid and shall also pay as further penalty a sum equal to ten per cent of such forfeiture for every month that the sum remains unpaid.

Any company not licensed to do business in Alaska which shall trans-

act an insurance business in Alaska shall pay to the Commissioner of Insurance before March 31, next succeeding, a tax of 3 per cent on the amount of the gross premium received for direct insurance, less return premiums and cancellations on direct insurance on risks in Alaska. Every business corporation paying more than \$500.00 premiums to any one such company in any year shall report the same in writing to the Commissioner of Insurance before March 1 next succeeding; upon failure to so report and default of any such unlicensed insurance company in the payment of such tax, the insured shall pay the tax. If the tax prescribed by this section is not paid before March 31 next succeeding the date of premium payment, the tax shall be increased by a penalty of 25 per cent and by the amount of an additional penalty computed at the rate of one per cent per month or any part thereof from the date such payment was due to the date paid.

Approved May 1, 1959

## CHAPTER 151

### AN ACT

**Relating to the organization of the supreme and superior courts of the state; amending subsection (4) of Sec. 32 and subsection (2) of Sec. 31 of Chap. 50, SLA 1959; and providing for an effective date.**

(H.C.S.S.B.116)

**Be it enacted by the Legislature of the State of Alaska:**

Section 1. Subsection (4), Sec. 32, Ch. 50, SLA 1959, is hereby amended to read as follows:

(4) Notwithstanding the provisions of subsections (1), (2) and (3) of this section, in the event that either: a court of competent jurisdiction, by final judgment, declares that the District Court of the District of Alaska lacks jurisdiction to determine causes

arising under the laws of the State, notwithstanding the provisions of Public Law 508, 85th Congress; or the President of the United States, by executive order, terminates the jurisdiction of the District Court of the District of Alaska; the Judicial Council shall forthwith meet and submit to the Governor the names of the persons nominated as justices or judges of all of the supreme and one or more or all superior courts of the State and in any event shall submit all of said