

SENATE BILL NO. 131

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - FIRST SESSION

BY SENATOR ADAMS

Introduced: 3/11/97

Referred: CRA, HESS, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act imposing a tax on employment, with the tax proceeds available to
2 support public school construction and major maintenance; and providing for an
3 effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 43 is amended by adding a new chapter to read:

6 **Chapter 45. School Tax.**

7 **Sec. 43.45.011. Tax imposed.** There is imposed a tax of \$25 a year upon
8 each individual 19 years of age or older and employed, including self-employed, in the
9 state.

10 **Sec. 43.45.021. Collection of tax.** (a) The tax imposed under AS 43.45.011
11 shall be paid before February 1 of the calendar year following the year for which it is
12 imposed.

13 (b) An employer, upon the first regular payroll after January 1 of each
14 calendar year or, in the case of an employee on a later payroll, on the first payroll after

1 employment, shall deduct the tax from the employee's salary or other compensation
2 and send it to the department. A deduction of the tax may not be made in the salary
3 or other compensation of a person who provides proof to the employer that the tax
4 imposed under AS 43.45.011 has been paid. The department shall provide a return
5 form for the tax collected under this section.

6 **Sec. 43.45.031. Record of withholding.** An employer who withholds tax
7 under AS 43.45.021 shall furnish to the employee upon request a record of the amount
8 of tax withheld from the employee. The department shall provide a form for that
9 purpose.

10 **Sec. 43.45.041. Disposition of tax proceeds.** (a) The tax collected under
11 AS 43.45.021 shall be deposited into the general fund and accounted for separately.

12 (b) The legislature may appropriate the estimated amounts to be collected and
13 separately accounted for under (a) of this section to the school construction grant fund
14 in AS 14.11.005 and the major maintenance grant fund in AS 14.11.007.

15 (c) The deposit required and appropriation authorized by this section are not
16 intended to create a dedication in violation of art. IX, sec. 7, Constitution of the State
17 of Alaska.

18 * **Sec. 2.** This Act takes effect January 1, 1998.