

SENATE BILL NO. 165

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - FIRST SESSION

BY SENATOR AUSTERMAN

Introduced: 3/26/01

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act imposing a tax on employment; and providing for an effective date."**

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

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

4 **Chapter 45. Education Tax.**

5 **Sec. 43.45.011. Tax imposed.** There is imposed a tax of \$100 a year on each
6 individual 19 years of age or older and employed, including self-employed, in the
7 state.

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

11 (b) An employer shall deduct and send to the department \$50 of the tax from
12 the employee's salary or other compensation on each of the first two regular payrolls
13 after January 1 of each calendar year or, in the case of an employee who begins work
14 and is provided a salary or compensation on a later payroll, on each of the first two
15 payrolls after employment. A deduction of the tax may not be made in the salary or

1 other compensation of a person who provides proof to the employer that the tax
2 imposed under AS 43.45.011 has been paid.

3 (c) The department shall provide a return form for the tax collected under this
4 section.

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

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

11 (b) The legislature may appropriate the estimated amounts to be collected and
12 separately accounted for under (a) of this section for education.

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

16 * **Sec. 2.** This Act takes effect January 1, 2002.