

HOUSE BILL NO. 409

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

BY REPRESENTATIVES GRUENBERG, Thomas

Introduced: 2/19/08

Referred: Judiciary, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act requiring a taxpayer with an unsatisfied judgment against the taxpayer in**
2 **favor of the state or a political subdivision for more than \$100,000 who appeals that**
3 **judgment to deposit a bond or other security on appeal and setting the postjudgment**
4 **interest rate on that judgment; and amending Rules 204, 602, and 603, Alaska Rules of**
5 **Appellate Procedure."**

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

7 *** Section 1.** AS 09.30.070 is amended by adding new subsections to read:

8 (d) For a calendar year after 2007, if a state court or administrative agency or
9 federal court that has subject matter jurisdiction has entered a judgment in favor of the
10 state or a political subdivision of the state for unpaid taxes in an amount greater than
11 \$100,000 against a taxpayer, the taxpayer has not satisfied the judgment, and the
12 judgment concerns a matter having connections with this state that are sufficient to
13 satisfy constitutional jurisdictional requirements, during the pendency of an appeal,

1 the taxpayer shall deposit in the court where the judgment was entered or the appeal is
 2 pending, in the form of cash, bond, or other security, the full amount of the judgment
 3 and postjudgment interest on the full amount of the judgment; the postjudgment
 4 interest rate compounded daily on the full amount of the judgment is equal to the
 5 greater of the applicable statutory rate or the rate of return on the taxpayer's equity as
 6 shown on the taxpayer's most recent quarterly earnings report as of the date of the
 7 notice of appeal.

8 (e) In (d) of this section,

9 (1) "judgment" means any final administrative determination or
 10 judgment in favor of the state or a political subdivision of the state;

11 (2) "taxpayer" includes an affiliate of a taxpayer.

12 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
 13 read:

14 **INDIRECT COURT RULE AMENDMENT.** AS 09.30.070(d) and (e), added by sec.
 15 1 of this Act have the effect of changing Rules 204, 602, and 603, Alaska Rules of Appellate
 16 Procedure, by setting the amount and requiring the deposit of cash, bond, or other security
 17 during the pendency of an appeal.

18 * **Sec. 3.** The uncodified law of the State of Alaska is amended by adding a new section to
 19 read:

20 **TRANSITION.** A taxpayer that is required to make a deposit under AS 09.30.070(d),
 21 enacted in sec. 1 of this Act, before the effective date of this Act shall make the deposit
 22 required by AS 09.30.070(d) within 30 days after the effective date of this Act.

23 * **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to
 24 read:

25 **REVISOR'S INSTRUCTIONS.** The revisor of statutes is instructed to change the
 26 catchline of AS 09.30.070 from "Interest on judgments; prejudgment interest" to "Interest on
 27 judgments; prejudgment interest; required taxpayer deposits."

28 * **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to
 29 read:

30 **CONDITIONAL EFFECT.** AS 09.30.070(d) and (e), added by sec. 1 of this Act, take
 31 effect only if sec. 2 of this Act receives the two-thirds majority vote of each house required by

1 art. IV, sec. 15, Constitution of the State of Alaska.