

HOUSE BILL NO. 376

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

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Introduced: 4/4/16
Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to a tax on the permanent fund dividend."**

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 22. Tax on Permanent Fund Dividend.**

5 **Sec. 43.22.010. Tax on dividend.** (a) An individual who receives a
6 permanent fund dividend under AS 43.23 shall pay a tax of 35 percent on the amount
7 of the dividend as calculated under AS 43.23.025(a).

8 (b) The amount of the tax shall be calculated before a garnishment, levy,
9 assignment, or other claim, reduction, or donation allowed by law.

10 (c) The tax under this section shall be withheld by the department and is due
11 on the date the dividend becomes payable to an individual under AS 43.23.

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

14 **APPLICABILITY.** The tax under AS 43.22.010, enacted by sec. 1 of this Act, applies
15 to a permanent fund dividend received on or after the effective date of this Act.

1 * **Sec. 3.** AS 43.22.010 is repealed January 1, 2021.