

1 TO THE HOUSE

BY COMMITTEE ON TERRITORIAL SUBDIVISIONS

2 HOUSE BILL NO. 89

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act to authorize cities to levy and
7 collect a sales tax not exceeding three
8 per centum; amending subsection Ninth (b) of
9 Section 16-1-35, ACLA, 1949, as amended."

10 BE IT ENACTED BY THE LEGISLATURE OF THE TERRITORY OF ALASKA:

11 Section 1. Subsection Ninth (b) of Section 16-1-35, Alaska
12 Compiled Laws Annotated, 1949, as amended by Section 1 of Chap-
13 ter 30, Session Laws of Alaska, 1949; and as amended by Chapter
14 47, Session Laws of Alaska, 1951; and as amended by Section 1
15 of Chapter 121, Session Laws of Alaska, 1953; is hereby amended
16 so as to read as follows:

17 (b) CONSUMER'S SALES TAX. To levy and collect a
18 consumer's sales tax not exceeding three [TWO] percentum
19 of the sales price on all retail sales, rents and services,
20 made within the municipality; provided, that the consent
21 of the qualified voters of the municipality is first ob-
22 tained through a referendum vote at a general or special
23 election, upon ballots which clearly present the proposi-
24 tion as to whether such sales tax shall be authorized
25 within the municipality. The ballot shall also set forth
26 whether the tax is to be levied for general revenue for
27 the municipality or for a special purpose, and, if for a
28 special purpose, same shall be specified on the ballot.
29 If a majority of the votes¹ cast in said referendum are in

1 the affirmative, the council may thereafter enact such a
2 tax in the nature of a levy upon buyers but with imposition
3 upon sellers of the obligation of collecting same at the
4 time of sale or at time of collection with respect to credit
5 transactions, and transmit same to the municipality. No
6 such sales tax proposition shall be presented to the voters
7 more than once in any twelve months. The sole purpose of
8 this subsection is to enable cities, with the consent of
9 the residents thereof, to impose sales taxes, and that
10 although such method of taxation be established within a
11 city, the council may, at any time abandon same. It is
12 also the intent that if consent to such tax be obtained for
13 a special purpose, the proceeds of the tax may not be used
14 for any other purpose unless with consent of the voters at
15 another referendum.