

IN THE HOUSE

BY *WAYS and Means*

HOUSE BILL NO. *185*

IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

TWENTY-SECOND SESSION

A BILL

For an Act entitled: "An Act to amend Chapter 132, Session Laws of Alaska, 1951; providing for the inclusion in gross income of residents, all compensation derived from intangibles."

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

Section 1. Section 5 of Chapter 115, Session Laws of Alaska, 1949, as amended by Chapter 132, Session Laws of Alaska, 1951, is hereby amended under Subsections A and B of Chapter 132, to read as follows:

Section 1. Section 5 of Chapter 115, Session Laws of Alaska, 1949, is hereby repealed (except as to rights and liabilities accrued by virtue of the tax levied thereunder, which are preserved), and a new section in lieu thereof is hereby enacted to read as follows:

Section 5. TAX ON INDIVIDUALS, FIDUCIARIES, CORPORATIONS AND BANKS.

A. GENERAL RULE. There is hereby levied and there shall be collected and paid for each taxable year upon the net income of every resident or nonresident individual, fiduciary, corporation and bank, required to make a return and pay a tax under the Federal income tax law, a tax equal to ten percent of the total income tax that would be payable for the same taxable year to the United States under the provisions of Chapter 1 (except subchapter D thereof) of the Internal Revenue

1 Code upon all income derived from sources within the Terri-
2 tory, without benefit of the deduction of the tax payable
3 thereunder to the Territory.

4 B. [INCOME FROM SOURCES WITHIN THE TERRITORY.]

5 Determination of Source of Income. Income from sources with-
6 in the Territory shall include income from real or tangible
7 personal property located in the Territory; income from a
8 business, trade, or profession, and compensation from ser-
9 vices rendered, within this Territory; and income from stocks,
10 bonds, notes, bank deposits, and other intangible personal
11 property having a business or taxable situs in the Territory;
12 and rentals and royalties for the use of, or for the privilege
13 of using in the Territory, patents, copyrights, secret pro-
14 cesses and formulas, good will, trade-marks, trade brands,
15 franchises, and other like property having a taxable or busi-
16 ness situs in the Territory: provided, however, income from
17 intangible personal property, including income from money or
18 credits received by a resident of the Territory shall have a
19 situs for taxation purposes in the Territory when it consti-
20 tutes a part of the income to the resident taxpayer. A
21 "resident", as used herein, is a natural person who is domi-
22 ciled within the Territory, or maintains a place of abode
23 within the Territory; and spends in the aggregate seven months
24 or more of the tax year within the Territory.]

p. 2, line 23: place period (.) after word "Territory" and strike
balance of bill