

1 IN THE SENATE

BY SENATOR BUTROVICH

2 SENATE BILL NO. 46

3 IN THE LEGISLATURE OF THE TERRITORY OF ALASKA

4 TWENTY-THIRD SESSION

5 A BILL

6 For an Act entitled: "An Act levying a tax on retail and  
7 wholesale sales in Alaska; allowing  
8 certain exemptions, providing for collection  
9 thereof and defining offenses and pre-  
10 scribing penalties, fixing an effective  
11 date; and declaring an emergency."

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

13 Section 1. From and after the first day of April 1957,  
14 there is hereby levied and there shall be assessed and paid a  
15 tax on all gross sales, exports, and remuneration for services  
16 in the Territory of Alaska, to be collected and deposited in the  
17 general fund of the Territory. The tax shall be payable on all  
18 sales made on and after the date hereinabove set forth, as a  
19 result of such sales and services, and on all exports exported  
20 after said date, as follows:

21 (a) Two per centum of the gross revenue derived from  
22 all retail sales made in the Territory, said revenue being com-  
23 puted in dollars and the tax payable by the retailer, and/or  
24 two per centum of the gross revenue, computed in dollars, derived  
25 from services performed in the Territory, payable by the person  
26 receiving such remuneration; providing said sales and/or  
27 remuneration for services exceeds one hundred dollars (\$100.00)  
28 in any quarter year; save and excepting "remuneration for  
29 services" shall not be construed to include salaries and wages

1 received by an employee from an employer or medical, hospital or  
2 dental services, but shall include the gross remuneration  
3 received for furnishing labor and materials for accomplishing a  
4 specified result. Sales of insurance, and bonds of guaranty and  
5 fidelity made in the Territory, excepting sales of tax exempt  
6 bonds, shall be taxable as retail sales; the tax being payable  
7 by the insurer, guarantor or surety and the agent selling the  
8 same in the Territory shall be liable for only the tax on the  
9 gross remuneration received by him as an agent. The tax mentioned  
10 in this sub-section shall be paid by the seller and person  
11 rendering services for each calendar month within ten days after  
12 the close of the month.

13 (b) One-half of one per centum of the gross revenue,  
14 computed in dollars, derived from wholesale sales made in the  
15 Territory, payable by the wholesaler, and one-half of one per  
16 centum of the gross market value, computed in dollars at the  
17 time of export, of all fish, gold, fur, lumber, and other  
18 commodities produced, mined, caught, manufactured or processed  
19 in the Territory, payable by the exporter; provided however,  
20 such wholesale and export tax shall not apply to any sale made  
21 to any person in a foreign country or to any export to a foreign  
22 country, unless exported in bond for re-entry into the United  
23 States.

24 (c) Except for exports, transactions covered by this  
25 section will be taxable only after the money has been received  
26 from the other party by the seller of goods or party rendering  
27 services. Transactions involving export of commodities shall be  
28 taxable during the quarter in which the export occurs. This tax  
29 shall be collected by the Department of Taxation pursuant to

1 existing law and covered into the Territorial Treasury.

2 Appropriate forms for the use of tax payers in computing and  
3 paying this tax shall be provided by the Tax Commissioner.

4 Section 2. PENALTIES. In the event the tax is not paid  
5 before delinquency, as provided for by this Act, a penalty of  
6 5% of such tax shall be added for the first month of delinquency,  
7 or fraction thereof, and an additional 5% for each additional  
8 month, or fraction thereof, until a total penalty of 25% has  
9 accrued. Such penalty will be assessed and collected in the  
10 same manner as the tax. Interest at the rate of 6% per annum  
11 from due date until paid will accrue and will be assessed and  
12 collected in the same manner as the tax.

13 Section 3. TAX LIEN. All taxes, penalties and interest  
14 assessed are hereby declared to be a lien prior, paramount and  
15 superior to all other liens, mortgages, hypothecations, con-  
16 veyances and assignments upon all the real and personal property  
17 of the person, firm or corporation liable therefor, and also  
18 upon all the real and personal property used with the permission  
19 of the owner thereof in prosecuting the various industries or  
20 lines of business involved. The special remedies for the  
21 recovery of this tax shall not be deemed exclusive of any other  
22 remedy, civil or criminal, or both, now provided by law for the  
23 recovery of moneys due and owing the Territory.

24 Section 4. VIOLATION, A MISDEMEANOR. Any person, firm,  
25 co-partnership or corporation violating any of the provisions of  
26 this section shall be deemed guilty of a misdemeanor, and, upon  
27 conviction thereof, shall be punished as prescribed for license  
28 tax violations in Section 35-1-17, Alaska Compiled Laws  
29 Annotated, 1949.

1 Section 5. An emergency is hereby declared to exist and  
2 this Act shall take effect upon the 1st day of April 1957.

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