

1 IN THE HOUSE

BY MESSRS. GREUEL AND GIERSDORF

2 HOUSE BILL NO.11

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act pertaining to the consumer's sales tax;
7 amending Subsection Ninth (b) of Section 16-1-
8 35, ACLA, 1949 as amended by Ch. 38, SLA 1949,
9 Ch. 121, SLA 1953 and Ch. 151, SLA 1957; and
10 setting an effective date."

11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

12 Section 1. Subsection Ninth (b) of Sec. 16-1-35, ACLA 1949 as
13 amended by Ch. 38, SLA 1949, Ch. 121, SLA 1953 and Ch. 151, SLA
14 1957, is hereby amended to read as follows:

15 (b) CONSUMER'S SALES TAX. To levy and collect a con-
16 sumer's sales tax not exceeding three percentum of the sales
17 price on all retail sales RENTS and services, made within
18 the municipality; provided, that the consent of the qualified
19 voters of the municipality is first obtained through a referen-
20 dum vote at a general or special election, upon ballots which
21 clearly present the proposition as to whether such sales tax
22 shall be authorized within the municipality. The ballot shall
23 also set forth whether the tax is to be levied for general
24 revenue for the municipality or for a special purpose, and,
25 if for a special purpose, same shall be specified on the
26 ballot. If a majority of the votes cast in said referendum
27 are in the affirmative, the council may thereafter enact such
28 a tax in the nature of a levy upon buyers but with imposition
29 upon sellers of the obligation of collecting same at the time

1 of sale or at time of collection with respect to credit
2 transactions, and transmit same to the municipality. No such
3 sales tax proposition shall be presented to the voters more
4 than once in any twelve months. The sole purpose of this
5 sub-section is to enable cities, with the consent of the
6 residents thereof, to impose sales taxes, and that although
7 such method of taxation be established within a city, the
8 council may, at any time abandon same. It is also the intent
9 that if consent to such tax be obtained for a special purpose
10 the proceeds of the tax may not be used for any other purpose
11 unless with consent of the voters at another referendum.
12 Provided, however, that any municipality may provide by
13 ordinance for exemption from the tax levied hereunder if not
14 otherwise expressly prohibited by law. Monies received as
15 rentals shall be specifically exempted from any sales tax
16 levied by a city under the terms of this sub-section.

17 Sec. 2. This Act shall take effect immediately upon its
18 passage and approval or upon its becoming law without such approval.
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