

1 IN THE SENATE

BY JUDICIARY COMMITTEE

2 HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 86

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIRST LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act levying a gross premiums tax on
7 insurance business transacted in Alaska by
8 insurance companies not licensed to do busi-
9 ness in the state under the laws of the
10 state; amending Sec. 42-1-15, ACLA 1949 by
11 adding a new paragraph thereto; requiring
12 certain insureds dealing with unlicensed
13 companies to report; and providing penalties."

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

15 Section 1. Sec. 42-1-15, ACLA 1949 is hereby amended to
16 read as follows:

17 42-1-15. PENALTY FOR FAILURE TO FILE STATEMENT OR PAY
18 TAXES: CERTAIN INSUREDS DEALING WITH UNLICENSED COMPANIES TO
19 REPORT. Any company, corporation, association, firm or
20 individual failing or refusing to render such statement and
21 information, and to pay taxes herein specified, for more than
22 thirty days after the time specified, shall be liable to a
23 forfeiture of double the amount due for such license and
24 shall be prohibited from doing any more business in the
25 State ~~[TERRITORY]~~ until such fine is paid and shall also
26 pay as further penalty a sum equal to ten per cent of such
27 forfeiture for every month that the sum remains unpaid.

28 N Any company not licensed to do business in Alaska which
29 E shall transact an insurance business in Alaska shall pay to
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the Commissioner of Insurance before March 31, next succeeding,
a tax of 3 per cent on the amount of the gross premium
received for direct insurance, less return premiums and
cancellations on direct insurance on risks in Alaska. Every
business corporation paying more than \$500.00 premiums to
any one such company in any year shall report the same in
writing to the Commissioner of Insurance before March 1 next
succeeding; upon failure to so report and default of any
such unlicensed insurance company in the payment of such tax,
the insured shall pay the tax. If the tax prescribed by this
section is not paid before March 31 next succeeding the date
of premium payment, the tax shall be increased by a penalty
of 25 per cent and by the amount of an additional penalty
computed at the rate of one per cent per month or any part
thereof from the date such payment was due to the date paid.

HCS for SB #86
Engrossed as
amended