

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

IN THE SENATE

BY THE FINANCE COMMITTEE

SENATE BILL NO. 252

IN THE LEGISLATURE OF THE STATE OF ALASKA

FIRST LEGISLATURE - SECOND SESSION

A BILL

For an Act entitled: "An Act relating to the state taxation of telephone service and providing for an effective date."

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

Section 1. STATEMENT OF PURPOSE. The purpose of this Act is to replace the federal tax on general telephone service with a similar state tax which will become effective when the federal tax is terminated.

Sec. 2. DEFINITIONS. As used in this Act, unless the context otherwise requires,

(1) "person" means any individual and where consistent with collective capacity, a committee, firm, partnership, company, corporation, club, organization, association, or other combination of individuals;

(2) "general telephone service" means any telephone or radio telephone service furnished in connection with any fixed or mobile telephone or radio telephone station which may be connected (directly or indirectly) to an exchange operated by a person engaged in the business of furnishing communication service, if by means of such connection communication may be established with any other fixed or mobile telephone or radio telephone station. Without limiting the preceding sentence, any service described therein shall be treated as including the use of (a) any private branch exchange (and any fixed or mobile telephone or radio telephone

1 station connected directly or indirectly with such an exchange),
2 and (b) any tie line or extension line. The term "general tele-
3 phone service" does not include any service which is toll telephone
4 service or wire and equipment service as defined in Section 4252,
5 Title 26, United States Code.

6 Sec. 3. TAX LEVY. There is levied a state tax of 10% of the
7 amount paid for general telephone service. The person paying for
8 the service is liable for the tax. The person receiving payment
9 for the service shall collect and pay the tax to the Department of
10 Revenue. Payments shall be made quarterly on forms prescribed by
11 the commissioner of revenue. The tax is due on the last day of
12 the calendar month following the quarterly period.

13 Sec. 4. RECORDS. Every person required to collect the tax
14 on amounts paid for general telephone service shall keep accurate
15 records and accounts of all the services and facilities furnished
16 upon which the tax is imposed.

17 Sec. 5. REFUNDS. If the tax on general telephone service is
18 overpaid, a credit or refund may be allowed by the commissioner of
19 revenue to the person who collected the tax from the customer and
20 paid it to the state if the person establishes that he has repaid
21 the amount of the tax to the person from whom he collected it, or
22 obtains the consent of the customer to the allowance of the credit
23 or refund.

24 Sec. 6. PENALTIES. In a case of any failure to make and
25 file a quarterly report, or whenever the full amount of the tax or
26 any portion or deficiency thereof, as finally determined by the
27 commissioner of revenue has not been paid, as required by this Act,
28 unless it is shown that such failure was due to reasonable cause
29 and not due to wilful neglect, there shall be added to the tax a

1 penalty in the amount of 5% of the tax due if the failure is for
2 not more than 30 days, with an additional 5% for each additional
3 30 days, or fraction thereof, during which such failure continues,
4 not exceeding 25% in the aggregate. The amount so added to any
5 tax shall be collected at the same time and in the same manner and
6 as a part of the tax unless the tax has been paid before the dis-
7 covery of the neglect, in which case the amount so added shall be
8 collected in the same manner as the tax. In all cases of delin-
9 quency, the legal rate of interest shall be assessed. Whenever
10 payment is made by check, bill of exchange, or note, which is
11 later returned by the drawee as uncollectible because of insuf-
12 ficient funds or is dishonored by the drawee for any other reason,
13 such dishonor shall be prima facie evidence of nonpayment of the
14 tax.

15 Sec. 7. APPLICABILITY OF ACT. The tax does not apply to
16 service rendered before May 1, 1960.

17 Sec. 8. EFFECTIVE DATE. This Act takes effect on July 1,
18 1960, unless the federal government extends beyond July 1, 1960
19 the present federal tax on general telephone service as provided
20 in Sections 4251 through 4254, Title 26, United States Code. If
21 the federal government extends the present federal tax on general
22 telephone service beyond July 1, 1960, this Act takes effect when
23 the federal tax is terminated.

24
25
26
27
28
29