

1 IN THE HOUSE BY MESSRS. DEVEAU AND STRANDBERG
2 HOUSE BILL NO. 408
3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 SECOND LEGISLATURE - SECOND SESSION
5 A BILL

6 For an Act entitled: "An Act providing for exclusion from gross
7 receipts under the Alaska business license
8 tax of certain taxes collected by taxpayer;
9 and amending Ch. 43, SLA 1949 as amended
10 by Ch. 172, SLA 1957."

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

12 Section 1. Sec. 3, Ch. 43, SLA 1949 as amended by Sec. 2,
13 Ch. 172, SLA 1957, is amended by adding Subsecs. (9) and (10) to
14 read as follows:

15 Sec. 3. EXEMPTIONS.

16 (a) The following gross receipts shall be exempt from
17 taxation hereunder:

18 (1) Gross receipts from educational, religious,
19 benevolent, fraternal, or charitable activities, where
20 the entire amount of such receipts is held or expended
21 for such purposes, except receipts which are the result
22 of a continuous engaging in a business or occupation
23 otherwise subject hereto.

24 (2) Gross receipts obtained in the operation of
25 a hospital.

26 (3) Gross receipts from municipally owned and
27 operated utilities and from operation of utilities by
28 incorporated utility districts or non-profit associa-
29 tions and non-profit cooperatives.

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(4) Gross receipts from home handicrafts up to \$500.00.

(5) Gross receipts of resident wholesale firms registered in Alaska as domestic corporations, or otherwise identifiable as wholesalers who are residents, which are derived from sales of finished products to dealers for resale to consumers upon which resale the tax levied hereunder applies.

(6) Gross receipts derived from any sale made to any person in a foreign country for shipment out of the United States, except when the goods or products sold are exported in bond for re-entry into the United States.

(7) Gross receipts of manufacturers or processors derived from sales of their products manufactured or processed in Alaska, except where such products are sold directly to the consumer.

(8) Gross receipts subject to the gross production tax imposed by Chapter 7, ESLA 1955, except that any person subject to said gross production tax shall in no event be excused from making application for a business license and paying the initial \$25.00 license fee or any part thereof.

(9) Gross receipts from tax imposed by the State of Alaska upon the sale of motor fuel.

(10) Gross receipts from sales tax collected by a taxpayer for the State of Alaska or any of its political subdivisions when the incidence of the tax is imposed upon a consumer.

1 (b) The word "consumer" as used in this Sec. 3 shall
2 mean the person who, in the ordinary common meaning of the
3 term, ultimately uses goods, and so diminishes or destroys
4 their utilities as long as they last or until such person
5 desires to do away with them.

6 (c) The exemption from taxation of certain gross
7 receipts as herein provided shall in no case be construed
8 to excuse the payment of the \$25.00 initial license fee or
9 any part thereof.

10 Sec. 2. This Act shall apply retroactively from January 1,
11 1962.

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