

1 IN THE HOUSE

BY MR. BOARDMAN BY REQUEST

2 HOUSE BILL NO. 429

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SECOND LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska Business
7 License Tax; and providing for an effective
8 date."

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

10 Section 1. Sec. 2(d), Ch. 43, SLA 1949 as amended by Ch.
11 172, SLA 1957 is repealed and re-enacted to read:

12 (d) "Gross receipts" means all receipts from sources
13 within the state, whether in the form of money, credits, or
14 other valuable consideration, received from engaging in or
15 conducting a business, less the cost of goods and the cost of
16 labor. No deductions shall be allowed for interest paid,
17 taxes, losses or any other expense, provided, however, that
18 "gross receipts" shall not include cash discounts allowed and
19 taken on sales, and sales refunds, whether in cash or by
20 credit, uncollectible accounts written off from time to time,
21 and payments received in final liquidation of accounts
22 included in the gross receipts of any previous return made by
23 the person. Receipts from sales, wherever made, of goods,
24 wares and merchandise manufactured or processed or originat-
25 ing in the state shall be considered to be a part of gross
26 receipts from sources within the state, and any holder of a
27 license hereunder doing business within and without the state
28 shall be liable hereunder as to that portion of his gross
29 receipts attributable to his Alaska operations. Gross

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receipts also means all amounts paid or assigned to sub-contractors. Individuals representing firms taxed hereunder, working as agents on commission instead of as employees, may compute their gross receipts as equal to their gross commissions.

Sec. 2. Sec. 5(a), Ch. 43, SLA 1949 is amended to read:

(a) The license fee for each business shall be \$25.00 plus a sum equal to one-half of one per centum of the gross receipts in excess of \$20,000.00 from such business during the income year for which the license is to be issued [; PROVIDED THAT ALL GROSS VOLUME IN EXCESS OF ONE HUNDRED THOUSAND (\$100,000.00) DOLLARS PER ANNUM SHALL BE TAXED AT THE RATE OF ONE QUARTER OF ONE PERCENTUM ($\frac{1}{4}\%$), AND] provided, however, that annual license fees paid by professional people to their respective professional boards shall be credited against the initial fee required hereunder.

Sec. 3. This Act takes effect January 1, 1963.