

1 IN THE SENATE

BY SENATORS POLLOCK
AND PHILLIPS

2 SENATE BILL NO. 153

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the taxation of personal
7 property in transit."

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

9 * Section 1. AS 43 is amended by adding a new chapter to read:

10 CHAPTER 33. PERSONAL PROPERTY TAX.

11 ARTICLE 1. FREE PORT.

12 Sec. 43.33.010. EXEMPTION OF PERSONAL PROPERTY IN
13 TRANSIT. (a) Personal property in transit shall have no
14 situs in this state for purposes of taxation.

15 (b) Personal property in transit shall not be deprived
16 of exemption for taxation if, while in a warehouse, the
17 property is assembled, bound, joined, processed, disassembled,
18 divided, cut, broken in bulk, relabeled or repackaged, and if
19 the property is being held for resale to customers outside
20 the state.

21 Sec. 43.33.020. WAREHOUSE BOOKS AND RECORDS. (a)
22 Property claimed to have no situs under secs. 10 - 70 of
23 this chapter shall be designated as being in transit upon
24 the books and records of the warehouse in which it is lo-
25 cated.

26 (b) The books and records of the warehouse shall con-
27 tain a complete inventory of all in-transit property, in-
28 cluding the date of receipt, the date of withdrawal, the
29 point of origin and, if known, the point of ultimate

1 destination of the property.

2 (c) The books and records containing the information
3 required by this section shall be open to the inspection of
4 the taxing authorities of the state, including its political
5 subdivisions.

6 Sec. 43.33.030. FILING FOR EXEMPTION. (a) A person,
7 partnership, association or corporation filing a claim for
8 exemption of property from taxation under secs. 10 - 70 of
9 this chapter shall do so upon a form and in the manner
10 prescribed by the Department of Revenue.

11 (b) A claim for exemption shall be accompanied by a
12 certificate of the operator of the warehouse in which the
13 property is located stating that the property is entered
14 on the warehouse records as property in transit.

15 Sec. 43.33.040. PROPERTY RECONSIGNED TO FINAL DESTINA-
16 TION IN THE STATE. Property in transit which is reconsigned
17 to a final destination within the state loses its tax exempt
18 status and is subject to state and municipal personal
19 property taxes prescribed by law, including past taxes which
20 would have been assessed on the property except for secs.
21 10 - 70 of this chapter.

22 Sec. 43.33.050. EVASION OF PERSONAL PROPERTY TAX. A
23 person who by misrepresentation, concealment, or a violation
24 of secs. 10 - 70 of this chapter, evades the assessment or
25 levy of taxes on property not in transit through the state
26 is liable in an amount equal to five times the tax otherwise
27 due.

28 Sec. 43.33.060. PENALTY FOR FALSE STATEMENTS. A
29 person who willfully makes a false statement in a document

1 submitted under secs. 10 - 70 of this chapter to an officer
2 charged with the assessment of property for tax purposes is
3 guilty of a misdemeanor and upon conviction is punishable
4 by a fine of not less than \$100 nor more than \$500, or by
5 imprisonment for not less than 10 days nor more than six
6 months, or by both.

7 Sec. 43.33.070. DEFINITIONS. In secs. 10 - 70 of
8 this chapter "personal property in transit" means personal
9 property which is moving in interstate commerce through or
10 over the state, or which is consigned to a warehouse within
11 the state from a point outside the state for storage in
12 transit to a final destination outside the state.

13 * Sec. 2. AS 29.10.336(a) is amended to read:

14 (a) Property owned by the city or the state, personal
15 property in transit under AS 43.33.010 - 43.33.070, the
16 household furniture of the head of a family or a householder
17 not exceeding \$200 in value, all property used exclusively
18 for nonprofit religious, charitable, cemetery, hospital, or
19 educational purposes, the property of an organization, not
20 organized for business purposes, whose membership is composed
21 entirely of the veterans of a war of the United States, or
22 the property of the auxiliary of any such organization,
23 and all money on deposit are exempt from taxation.
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