

Introduced: 2/5/68
Referred: Local Govern-
ment and Judiciary

1 IN THE SENATE

BY THE RULES COMMITTEE BY REQUEST
OF THE LEGISLATIVE COUNCIL

2 SENATE BILL NO. 286

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to maximum penalties and interest
7 which may be imposed by cities and boroughs in the
8 collection of property and sales taxes; and providing
9 for an effective date."

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

11 * Section 1. AS 29.30 is amended by adding a new section to read:

12 Sec. 29.30.200. COLLECTION OF PENALTY AND INTEREST. (a) If
13 the governing body of a city or borough imposes a penalty for the
14 nonpayment of property or sales taxes when due, or the late return of
15 personal property assessment forms, the rate of penalty shall not
16 exceed 10 per cent of the tax due on the property or sales concerned.
17 The full rate of penalty shall not be applied until 30 days have
18 elapsed from the due date of payment, but during the 30-day period the
19 rate of penalty may be applied by increments of one per cent appor-
20 tioned over 30 days.

21 (b) If the governing body of a city or borough charges interest
22 on property or sales taxes not paid when due, the rate of interest may
23 not exceed eight per cent per annum upon the delinquent taxes, not in-
24 cluding penalty, and shall be charged from the due date until paid in
25 full. The full rate of interest may not be applied until 30 days have
26 elapsed from the due date of payment, but during the 30-day period the
27 rate of interest may be applied by increments of one per cent ap-
28 portioned over 30 days.

29 * Sec. 2. AS 07.12 is amended by adding a new section to read:

ARTICLE 2. TAXATION.

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2 Sec. 07.12.200. LIMIT ON HOME RULE TAXING POWER. AS 29.30.200,
3 relating to the collection of penalties and interest on property and
4 sales taxes, applies to home rule boroughs.

5 * Sec. 3. AS 29.08.010 is amended to read:

6 Sec. 29.08.010. LIMIT ON HOME RULE TAXING POWER. (a) AS 29.10.
7 336, which limits taxing power, applies to home rule cities.

8 (b) AS 29.30.200, relating to the collection of penalties and
9 interest on property and sales taxes, applies to home rule cities.

10 * Sec. 3. This Act takes effect July 1, 1968.
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