

Introduced: 2/11/69
Referred: State Affairs, Local
Government and Finance

1 IN THE HOUSE

BY RETTIG

2 HOUSE BILL NO. 131

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act repealing the business license tax, imposing
7 in lieu a statewide sales tax on tobacco products and
8 intoxicating liquor, and providing for allocation of
9 a portion of tax revenues to political subdivisions of
10 the state; and providing for an effective date."

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

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

13 CHAPTER 22. STATE SALES TAX ON INTOXICATING

14 LIQUOR AND TOBACCO PRODUCTS.

15 Sec. 43.22.010. TAX IMPOSED. There is levied and there shall be
16 collected a statewide sales tax on each retail sale in the state, of
17 cigarettes, other tobacco products made wholly or partly of tobacco
18 and intoxicating liquor. The tax rates are:

19 (1) on sales of cigarettes, five cents per pack of 20, or
20 1/4 cent per cigarette;

21 (2) on sales of other tobacco products, 10 per cent of the
22 sales price;

23 (3) on sales of intoxicating liquor, six per cent of the
24 sales price.

25 Sec. 43.22.020. PAYMENT AND COLLECTION OF TAX. (a) The tax
26 imposed by this chapter shall be paid by the buyer to the seller, and
27 each seller shall collect from the buyer the full amount of the tax
28 payable in respect to each taxable sale in accordance with the schedule
29 of collections adopted by the department.

1 (b) The statewide tax collected is held in trust by the seller
2 until paid to the department. A seller who fails or refuses to collect
3 the statewide tax, or having collected it fails or refuses to pay it
4 to the department when due, with the intent to violate this chapter is
5 guilty of a misdemeanor.

6 (c) A buyer who, with the intent to violate this chapter,
7 fails or refuses to pay the statewide tax is guilty of a misdemeanor.

8 Sec. 43.22.030. ABSORPTION OF TAX. A seller who advertises,
9 holds out, or promises, directly or indirectly, that the statewide tax
10 or any part of it will be assumed or absorbed by the seller or that it
11 will not be added to the sales price of the property sold, or if added,
12 that it or any part of it will be refunded, is guilty of a misdemeanor.

13 Sec. 43.22.040. COLLECTION OF TAX. The department shall adopt
14 regulations prescribing methods and schedules for the collection of
15 the statewide tax. The methods and schedules shall be devised to
16 eliminate the collection of fractions of one cent and to provide that
17 the aggregate collections of the statewide tax by the seller, insofar
18 as practicable, equal the amount of tax imposed by this chapter. The
19 schedules may provide that no statewide tax need be collected from the
20 buyer on sales below a prescribed sum and may be amended from time
21 to time to accomplish the purposes of this chapter.

22 Sec. 43.22.050. DISPOSITION OF TAX PROCEEDS. Money collected
23 from the tax imposed by this chapter shall be deposited in the general
24 fund. The department of revenue shall refund to a city of any class and
25 to an organized borough 60 per cent of the money collected within the
26 city or organized borough.

27 Sec. 43.22.060. SELLER'S MONTHLY REPORT. (a) Each seller, on
28 or before the 15th day of the month succeeding the end of each monthly
29 period, shall make out a return for the preceding monthly period upon

1 forms to be provided by the department, setting out the amount of
2 taxable sales, the amount of tax, other information which the depart-
3 ment may by regulation require, and shall sign and transmit the return
4 to the department.

5 (b) The department may for reasonable cause relieve a class of
6 taxpayers from the obligation of filing monthly returns and may require
7 the return to cover other reporting periods, but in no event shall
8 returns be filed for a period longer than one year.

9 Sec. 43.22.070. VENDING MACHINE SALES. (a) The department may
10 waive collection of the statewide tax from the customer and authorize
11 a seller to pay the tax levied under this chapter on sales made through
12 vending machines and similar devices or in other cases in which sales
13 are made under conditions of business rendering impracticable the collec-
14 tion of the statewide tax as a separate item.

15 (b) The authority granted in (a) of this section may be given
16 only upon application to the department and if the applicant furnishes
17 a proper bond sufficient to secure the payment of the tax.

18 Sec. 43.22.080. TAX ADDITIONAL TO OTHER TAXES. The tax imposed
19 by this chapter is in addition to other taxes imposed by the state
20 or its political subdivisions on taxable sales under this chapter.

21 Sec. 43.22.090. ADMINISTRATION. AS 43.05.010 - 43.15.010 are
22 applicable to the administration of the statewide tax.

23 Sec. 43.22.100. PENALTY. A person guilty of a misdemeanor under
24 this chapter is punishable by a fine of not more than \$1,000 or by
25 imprisonment for not more than one year.

26 Sec. 43.22.110. DEFINITIONS. In this chapter, unless the context
27 requires otherwise,

28 (1) "buyer" or "consumer" includes, but is not limited to,
29 every individual, corporation, group, or other unit;

1 (2) "intoxicating liquor" means intoxicating liquor as
2 defined in AS 04.20.010;

3 (3) "retail sale" includes, but is not limited to, successive
4 sales of the same property and every transaction conditional or not
5 conditional, for consideration;

6 (4) "sales price" means the consideration, whether money,
7 credits, rights, or other property, expressed in the terms of money
8 paid or delivered by a buyer to a seller, all without any deduction
9 on account of the cost of tangible property sold, the cost of material
10 used, labor costs, interest, discount, delivery costs, taxes, or any
11 other expenses whatsoever paid or accrued and without any deduction
12 on account of losses, but does not include the amount of cash discount
13 actually taken by the buyer;

14 (5) "seller" means every person making sales at retail or
15 making retail sales to a buyer or consumer, whether as agent, broker,
16 or principal.

17 * Sec. 2. AS 43.70.010 - 43.70.120 are repealed.

18 * Sec. 3. This Act takes effect July 1, 1969.
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