

Original sponsor: Rules Committee by  
request of the Governor

Offered: 2/24/70  
Referred: Rules

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 258

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the collection of taxes, licenses,  
7 and fees; and providing for an effective date."

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

9 \* Section 1. AS 43.10.160 - 43.10.200 are repealed.

10 \* Sec. 2. AS 43.10 is amended by adding new sections to read:

11 ARTICLE 4. LIABILITY OF EMPLOYERS AND THIRD PARTIES

12 FOR TAXES, LICENSES AND FEES.

13 Sec. 43.10.165. LIABILITY OF THIRD PARTIES. (a) If a lender,  
14 surety, or other person, who is not the employer, pays wages directly  
15 to an employee, employed by one or more employers, or to an agent on  
16 behalf of the employee, the lender, surety, or other person is liable  
17 in his own person and estate to the State of Alaska in a sum equal to  
18 the taxes (together with interest) required to be deducted and withheld  
19 from the wages by the employer.

20 (b) If a lender, surety, or other person supplies funds to or for  
21 the account of an employer for the specific purpose of paying wages of  
22 the employees of the employer, with actual notice or knowledge that the  
23 employer does not intend to or will not be able to make timely payment  
24 of the amounts of tax required by statute to be deducted and withheld  
25 by the employer from the wages, the lender, surety, or other person is  
26 liable in his own person and estate to the State of Alaska in a sum  
27 equal to the taxes (together with interest) which are not paid over to  
28 the State of Alaska by the employer with respect to the wages. How-  
29 ever, the liability of the lender, surety, or other person is limited

1 to an amount equal to 25 per cent of the amount so supplied to or for  
2 the account of the employer for this purpose.

3 (c) An amount paid to the State of Alaska under this section shall  
4 be credited against the liability of the employer.

5 Sec. 43.10.175. LIABILITY OF EMPLOYER AND CONTRACTOR. (a) A  
6 contractor who contracts with or employs a subcontractor who is an  
7 employer is liable for taxes, licenses and fees, including penalty and  
8 interest, due or to become due for personal services which have been  
9 performed in the state by an individual for the subcontractor arising  
10 during the course of the contract with or employment of the subcontrac-  
11 tor; and the department has the remedies of collection, provided in  
12 this title, against the contractor as though the services in question  
13 were performed directly for him. The department shall, however, first  
14 attempt to collect the taxes, licenses, and fees from the subcontractor  
15 who is the immediate employer of the individual performing the services.

16 \* Sec. 3. This Act takes effect on the day after its passage and approval  
17 or on the day it becomes law without approval.  
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