

Original sponsor: Rules Committee by request
of the Governor

Offered: 2/4/70
Referred: Finance

1 IN THE HOUSE

BY THE JUDICIARY COMMITTEE

2 CS FOR HOUSE BILL NO. 442

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 inheritance, transfer, and estate
7 taxes; and providing for an effective date."

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

9 * Section 1. AS 43.30.010 - 43.30.210 are repealed.

10 * Sec. 2. AS 43 is amended by adding a new chapter to read:

11 CHAPTER 30. ALASKA ESTATE TAX.

12 Sec. 43.30.011. TAX UPON ESTATES OF RESIDENT DECEDENTS. A tax
13 is imposed upon the transfer of the estate of a person who, at the
14 time of death, was a resident of this state, the amount of which shall
15 be computed as follows:

16 (1) Determine the amount of the credit allowable under the
17 applicable federal revenue Act for estate, inheritance, legacy and
18 succession taxes actually paid to the several states.

19 (2) Determine for each of the other states the amount of
20 all constitutionally valid estate, inheritance, legacy and succession
21 taxes, actually paid to each of the other states in respect to property
22 owned by the decedent or subject to these taxes as a part of or in
23 connection with his estate.

24 (3) Determine for each other state in which property is
25 located that is owned by the decedent or subject to estate, inheritance,
26 legacy or succession taxes as a part of or in connection with his
27 estate the proportion of the amount of the credit allowable under the
28 applicable federal revenue Act for estate, inheritance, legacy and
29 succession taxes actually paid to the several states, as the value of

1 the property taxable in that state bears to the value of the entire
 2 gross estate wherever situated.

3 (4) The amount of the tax is the amount of the allowable
 4 credit as determined in (1) of this section less the sum of the smaller
 5 figures of (2) or (3) of this section for each of the other states in
 6 which the decedent's property is situated. For example:

7 The amount of allowable credit under the federal Act is
 8 \$10,000 (relating to (1) in this section)

9	Amount of Tax	Proportion of Credit	Smaller of
10	Actually Paid	from Situs of Property	(2) and (3)
11	(relating to (2) of	(relating to (3) of	of this
12	<u>this section)</u>	<u>this section)</u>	<u>section</u>
13	State X \$3,000	10% - \$1,000	\$1,000
14	State Y \$1,000	15% - \$1,500	<u>\$1,000</u>
15			\$2,000

16 The Alaska estate tax is \$10,000 minus \$2,000 equalling \$8,000

17 Sec. 43.30.021. TAX UPON ESTATES OF NONRESIDENT DECEDENTS. A
 18 tax is imposed upon the transfer of real property situated in this
 19 state, upon tangible personal property having an actual situs in this
 20 state, upon intangible personal property having a business situs in
 21 this state and upon stocks, bonds, debentures, notes and other
 22 securities or obligations of corporations organized under the laws of
 23 this state, of a person who at the time of death was not a resident of
 24 this state but was a resident of the United States, the amount of which
 25 shall be a sum equal to that proportion of the amount of the credit
 26 allowable under the applicable federal revenue Act for estate, inheri-
 27 tance, legacy and succession taxes actually paid to the several states,
 28 as the value of the property taxable in this state bears to the value
 29 of the entire gross estate wherever situated.

1 Sec. 43.30.031. TAX UPON ESTATES OF ALIEN DECEDENTS. (a) A tax
2 is imposed upon the transfer of real property situated and tangible
3 personal property having an actual situs in this state and upon in-
4 tangible personal property physically present within this state of a
5 person who at the time of death was not a resident of the United States,
6 the amount of which shall be a sum equal to that proportion of the credit
7 allowable under the applicable federal revenue Act for estate, inheri-
8 tance, legacy and succession taxes actually paid to the several states,
9 as the value of the property taxable in this state bears to the value
10 of the estate taxable by the United States wherever situated.

11 (b) For the purpose of this section, stock in a corporation
12 organized under the laws of this state shall be considered physically
13 present in this state. The amount receivable as insurance upon the
14 life of a decedent who at the time of his death was not a resident of
15 the United States, and any money deposited with a person carrying on the
16 banking business by or for the decedent who was not engaged in business
17 in the United States at the time of his death, shall not for the purpose
18 of this section, be considered to be physically present in this state.

19 Sec. 43.30.041. ADMINISTRATION OF LAW BY DEPARTMENT OF REVENUE.
20 The Department of Revenue shall, except as otherwise provided, have
21 jurisdiction and be charged with the administration and enforcement of
22 the provisions of this chapter.

23 Sec. 43.30.051. EXAMINATION OF BOOKS, PAPERS, RECORDS, ETC., BY
24 THE DEPARTMENT. (a) The department, for the purpose of ascertaining
25 the correctness of a return, or for the purpose of making a return
26 where none has been made, may examine books, papers, records or memo-
27 randa, bearing upon the matter required to be included in the return;
28 may require the attendance of persons rendering the return or of an
29 officer or employee of those persons, or of any person having knowledge

1 in the premises, at a convenient place in the superior court district
2 in which the person resides, and may take his testimony with reference
3 to the matter required by law to be included in the return, and may
4 administer oaths to these persons.

5 (b) If a person summoned to appear under this chapter to testify,
6 or to produce books, papers, or other data, refuses to do so, the
7 superior court for the district in which the person resides shall have
8 jurisdiction by appropriate process to compel the attendance, testimony,
9 or production of books, papers, or other data.

10 Sec. 43.30.061. APPOINTMENT OF AGENTS BY DEPARTMENT; BONDS OF
11 AGENTS; MAY ADMINISTER OATHS; CREDENTIALS. (a) The department may
12 appoint and remove examiners, appraisers and employees as it considers
13 necessary, these persons to have those duties and powers as the
14 department may from time to time prescribe. The salaries of examiners,
15 appraisers and employees employed by the department shall be as it
16 may prescribe, and examiners, appraisers and employees shall be re-
17 imursed for traveling expenses as provided for employees of the
18 Department of Revenue.

19 (b) The department may require the examiners, appraisers and
20 employees as it may designate to give bond payable to the state for the
21 faithful performance of their duties in that form and with those
22 sureties as it may determine, and all premiums on these bonds shall be
23 paid by the state.

24 (c) All officers empowered by law to administer oaths or em-
25 ployees, examiners and appraisers appointed by the department may ad-
26 minister an oath to persons giving testimony before them or to take
27 the acknowledgment of a person in respect to the returns or reports
28 required under this chapter.

29 (d) All employees, examiners and appraisers appointed by the

1 department shall have for identification purpose proper credentials
2 issued by the department and exhibit them upon demand.

3 Sec. 43.30.071. RULES AND REGULATIONS. The department may from
4 time to time make rules and regulations not inconsistent with this
5 chapter as it may consider necessary to enforce its provisions, and may
6 adopt rules and regulations as are or may be promulgated with respect
7 to the estate tax provisions of the revenue Act of the United States
8 insofar as they are applicable. The department may from time to time
9 prescribe forms as it considers proper for the administration of this
10 chapter.

11 Sec. 43.30.081. INFORMATION CONFIDENTIAL. Except when required
12 in official investigations or in accordance with proper judicial order
13 or as otherwise provided by law, it is unlawful for the department or
14 an examiner, appraiser, attorney or other employee to divulge or make
15 known in any manner the value of an estate or any particulars set out
16 or disclosed in a report or return required. Nothing in this section
17 shall be construed to prohibit the publication of statistics so
18 classified as to prevent the identification of particular reports or
19 returns and items of particular reports or returns; however, the
20 department

21 (1) may permit the Alaska Department of Labor for tax
22 purposes, or the Internal Revenue Service, or the proper officer of a
23 state or the Dominion of Canada or a province or territory of Canada
24 imposing an income tax, estate tax or inheritance tax, or the authorized
25 representative of the proper officer to inspect estate tax returns of
26 an individual, or

27 (2) may furnish to the proper officer or his authorized
28 representative a copy of the return of an executor or furnish information
29 concerning an item contained in a return or disclosed by the report of

1 an investigation of the return of an executor.

2 Sec. 43.30.091. SUITS BY OR AGAINST DEPARTMENT. The department
3 may sue and be sued but shall not be required to give supersedeas
4 or other bond in any cause or court of this state.

5 Sec. 43.30.101. APPOINTMENT OF SPECIAL APPRAISERS. The depart-
6 ment may employ special appraisers for the purpose of determining the
7 value of property which is, or is believed by the department to be,
8 subject to the tax imposed by this chapter, and the special appraisers
9 shall be paid compensation as the department considers proper.

10 Sec. 43.30.111. NOTICE OF DEATH TO DEPARTMENT; TAX RETURN. The
11 executor, within two months after the decedent's death, or within a
12 like period after qualifying as executor, shall give written notice
13 thereof to the department on the form prepared and published by the
14 department known as the preliminary notice and report. If a federal
15 estate tax return is required by the applicable federal revenue Act
16 then a copy of the preliminary notice filed with the federal government
17 may be filed with the department in lieu of the preliminary notice and
18 report.

19 Sec. 43.30.121. TAX RETURN TO BE MADE IN CERTAIN CASES. The
20 executor of an estate required by the laws of the United States to file
21 a federal estate tax return shall file with the department within
22 15 months from the date of death a return consisting of an executed
23 copy of the federal estate tax return, and shall file with this return
24 all supplemental data, if any, as may be necessary to determine and
25 establish the correct tax under this chapter. This return shall be
26 made in the case of every decedent who at the time of his death was
27 not a resident of the United States and whose gross estate includes any
28 real property situated and tangible personal property having an actual
29 situs in the state and intangible personal property physically present

1 in the state.

2 Sec. 43.30.131. FAILURE TO MAKE RETURN AND EXTENSION OF TIME.

3 If the federal taxing authorities grant an extension of time for filing
4 a return the department shall allow a like extension of time for
5 filing upon the filing by the executor of a copy of the federal exten-
6 sion with the department. An extension of time for filing a return does
7 not operate to extend the time for payment of the tax. If a person
8 fails to file a return at the time prescribed by law or files, wilfully
9 or otherwise, a false or fraudulent return, the department shall make
10 the return from its own knowledge and from information it can obtain
11 through testimony or otherwise. A return so made by the department
12 shall be prima facie good and sufficient for all legal purposes.

13 Sec. 43.30.141. WHEN TAX DUE, EXTENSION AND INTEREST. The tax

14 imposed by this chapter is due and payable 15 months after the
15 decedent's death, and shall be paid by the executor to the department.
16 Where the department finds that the payment on the due date of the
17 tax or any part of the tax would impose undue hardship upon the estate,
18 the department may extend the time for payment of any part, but no
19 extension shall be for more than one year and the aggregate of exten-
20 sions with respect to an estate shall not exceed five years from the
21 due date. In that case the amount in respect of which the extension
22 is granted shall be paid on or before the date of the expiration of
23 the period of the extension unless a further extension is granted.
24 If the time for the payment is extended there shall be collected, as
25 part of this amount, interest on the tax at the rate of seven per cent
26 per annum from the due date of the tax to the date the tax is paid.

27 Sec. 43.30.151. NOTICE OF DETERMINATION OF DEFICIENCY IN FEDERAL
28 ESTATE TAX. It is the duty of the executor to file with the department
29 within 60 days after a final determination of a deficiency in federal

estate tax has been made, written notice thereof. If, based upon this deficiency and the ground therefor, it shall appear that the amount of tax previously paid is less than the amount of tax owing, the difference together with interest at the rate of seven per cent per year from the due date of the tax shall be paid upon notice and demand by the department. If the executor fails to give the notice required by this section, any additional tax owing may be assessed, or a proceeding in court for the collection of the tax may be begun without assessment at any time before the filing of notice or within 30 days after the delinquent filing of notice, notwithstanding the provisions of sec. 270 of this chapter.

Sec. 43.30.161. DEFICIENCY, HEARING, AND PROCEDURE ON APPEAL. (a) If, upon examination of a return a tax or a deficiency in tax is disclosed, the executor shall be notified of the tax or deficiency by the department by registered mail, and given a period of not less than 30 nor more than 60 days from notice in which to show cause why the tax or deficiency should not be paid.

(b) The department shall proceed to hear and determine all questions involving the tax or deficiency upon not less than 10 days notice to the executor of the date of the hearing, and a final determination shall be made as quickly as practicable and a copy of the determination, together with notice and demand, shall be sent by registered mail to the executor. The tax or deficiency in tax shall be assessed and paid together with the penalty and interest, if any, within 60 days after notice and demand by the department.

(c) The determination of tax or deficiency in tax by the department is final unless the executor, or other party interested, within 50 days from the date of the receipt of a copy of the determination, brings a suit in the superior court against the department and other parties as are interested. It is not necessary to join as parties

1 to the suit any heir-at-law, next of kin, distributee, legatee or
2 devisee of the decedent. The complaint shall contain a concise state-
3 ment of the facts and shall have annexed to it a copy of the return
4 and of the findings and determination of the department and shall
5 pray for an abatement of the tax, in the amount and to the extent, in
6 part or in whole, and for other relief as the executor desires. These
7 suits shall proceed as other suits in equity. Either the department,
8 the executor or any other party may appeal to the supreme court of
9 appeal in the manner and within the time prescribed by the Alaska Rules
10 of Civil Procedure.

11 Sec. 43.30.171. CIVIL PENALTIES. (a) a five per cent civil
12 penalty shall be added to the tax for each 30-day period or fraction
13 of the period during which there is a failure to file a return or pay
14 the full amount of the tax or a portion or a deficiency of the tax, as
15 finally determined by the department and required by this chapter,
16 unless it is shown that the failure is due to a reasonable cause and
17 not to wilful neglect. The additional tax shall not exceed 25 per cent
18 in the aggregate.

19 (b) If any part of an underpayment of tax due under the provisions
20 of this chapter is due to fraud, there shall be added to the tax a
21 civil fraud penalty in an amount equal to 50 per cent of the tax. This
22 amount shall be in lieu of any amount determined under (a) of this
23 section.

24 (c) The penalties imposed by this section shall be collected in
25 the same manner as the tax.

26 (d) No interest may be collected upon the amount of a penalty
27 imposed by this section.

28 Sec. 43.30.181. RECEIPTS FOR TAXES. The department shall issue
29 to the executor, upon payment of the tax imposed by this chapter,

1 receipts in triplicate, any of which shall be sufficient evidence of
2 payment, and shall entitle the executor to be credited and allowed the
3 amount of the receipt by a court having jurisdiction to audit or settle
4 his accounts. If the executor files a complete return and makes written
5 application to the department for determination of the amount of the
6 tax and discharge from personal liability, the department, as soon as
7 possible, and in any event within one year after receipt of the appli-
8 cation, shall notify the executor of the amount of the tax, and upon
9 payment of the tax the executor shall be discharged from personal
10 liability for any additional tax thereafter found to be due, and shall
11 be entitled to receive from the department a receipt in writing showing
12 the discharge; however, the discharge shall not operate to release the
13 gross estate of the lien of additional tax that may thereafter be found
14 to be due, while the title to the gross estate remains in the executor
15 or in the heirs, devisees, or distributees thereof; but after the dis-
16 charge is given, no part of the gross estate is subject to lien or to
17 any claim or demand for tax after the title to the estate has passed
18 to a bona fide purchaser for value.

19 Sec. 43.30.191. FAILURE TO PAY TAX, DEPARTMENT WARRANT, ETC.

20 (a) If a tax imposed by this chapter or any portion of the tax is
21 unpaid within 90 days after it becomes due, and the time for payment
22 is not extended, the department shall collect the tax, penalty and
23 interest by using the remedy of distraint on real and personal property
24 as set out in AS 43.20.270 or by issuing a warrant directed to the
25 commissioner of public safety commanding him to

26 (1) levy upon and sell the real and personal property of the
27 estate found in the state for the payment of the amount of the unpaid
28 tax with interest and penalties, if any, as may have accrued or been
29 assessed against it, together with the cost of executing the warrant,

1 and

2 (2) return the warrant to the department and pay to it the
3 money collected under it by the time to be specified in the warrant, not
4 less than 60 days from the date of the warrant.

5 (b) The commissioner of public safety shall proceed upon the
6 warrant in all respects, with like effect, and in the same manner
7 prescribed by law to executions issued against property upon judgments
8 of a court of record, and shall be entitled to the same fees for
9 services in executing the warrant as are now allowed by law for like
10 services to be collected in the same manner as now provided by law.
11 Alias and pluries warrants may issue from time to time as the depart-
12 ment may consider proper until the entire amount of the tax, deficiency,
13 interest, penalties and costs have been recovered.

14 Sec. 43.30.201. TAX PAYABLE FROM ENTIRE ESTATES AND THIRD
15 PERSONS. If the tax or part of the tax is paid or collected out of
16 that part of the estate passing to or in possession of a person other
17 than the executor in his capacity as executor, the person is entitled
18 to a reimbursement out of a part of the estate still undistributed or
19 by a just and equitable contribution by the person whose interest in
20 the estate of the decedent would have been reduced if the tax had been
21 paid before the distribution of the estate or whose interest in the
22 estate is subject to an equal or prior liability for the payment of
23 tax, debts, or other charges against the estate, it being the purpose
24 and intent of this section that so far as is practical and unless
25 otherwise directed by the will of the decedent, the tax shall be paid
26 out of the estate before its distribution; but the department shall
27 not be charged with enforcing contribution from a person.

28 Sec. 43.30.211. LIEN FOR UNPAID TAXES. Unless the tax is sooner
29 paid in full, it shall be a lien for 10 years upon the gross estate of

1 the decedent, except that the part of the gross estate as is used for
2 the payment of charges against the estate and expenses of its adminis-
3 tration, allowed by a court having jurisdiction shall be divested of
4 the lien, and except that the part of the gross estate of a resident
5 decedent as is transferred to a bona fide purchaser, mortgagee, or
6 pledgee, for an adequate and full consideration in money or equivalent
7 value shall be divested of the lien and the lien shall then attach to
8 the consideration received for the property from the purchaser, mortgagee,
9 or pledgee. If the department is satisfied that no tax liability exists
10 or that the tax liability of an estate has been fully discharged or
11 provided for, it may issue a waiver releasing any or all property of
12 the estate from the lien imposed by this section. There shall be paid
13 to the department a fee of \$2.50 for each waiver so issued.

14 Sec. 43.30.221. PERSONAL LIABILITY OF EXECUTOR, ETC. If an
15 executor makes distribution either in whole or in part of any of the
16 property of an estate to the heirs, next of kin, distributees, legatees
17 or devisees without having paid or secured the tax due the state under
18 this chapter, or obtained the release of the property from the lien of
19 the tax he shall become personally liable for the tax so due the state,
20 or so much of it as may remain due and unpaid, to the full extent of
21 the full value of any property belonging to the person or estate which
22 may come into his hands, custody or control.

23 Sec. 43.30.230. SALE OF REAL ESTATE BY EXECUTOR TO PAY TAX.
24 Every executor shall have the same right and power to take possession
25 of or sell, convey and dispose of real estate as assets of the estate
26 for the payment of the tax imposed by this chapter as he may have for
27 the payment of the debts of the decedent.

28 Sec. 43.30.240. ACTIONS TO ENFORCE PAYMENT OF TAX. Actions may
29 be brought within the time or times specified in this section by the

1 department to recover the amount of taxes, penalties and interest due
2 under this chapter. This action shall be brought in the superior
3 court where the estate is being or has been administered, or if no ad-
4 ministration be had in this state, then in any county where any of
5 the property of the estate is situated.

6 Sec. 43.30.250. NO DISCHARGE OF EXECUTOR UNTIL TAX IS PAID. No
7 final account of an executor of the estate of a nonresident, nor of the
8 estate of a resident where the value of the gross estate wherever situ-
9 ated exceeds \$60,000 shall be allowed by any court unless and until the
10 account shows, and the judge of the court finds, that the tax imposed
11 by the provisions of this chapter upon the executor, which has become
12 payable, has been paid. The certificate of the department of non-
13 liability for tax or its receipt for the amount of tax certified shall
14 be conclusive in proceedings as to the liability or the payment of the
15 tax to the extent of the certificate.

16 Sec. 43.30.260. AGREEMENTS AS TO TAX DUE. For the purpose of
17 facilitating the settlement and distribution of estates held by
18 executors, the department may, on behalf of the state, agree upon the
19 amount of taxes at any time due or to become due from the executor
20 under the provisions of this statute, and payment in accordance with the
21 agreement shall be full satisfaction of the taxes to which the agreement
22 relates.

23 Sec. 43.30.270. TIME FOR ASSESSMENT OF TAX. The amount of estate
24 tax due under this chapter shall be determined and assessed within four
25 years from the date the return was filed, or within a period expiring
26 90 days after the last day on which the assessment of a deficiency in
27 federal estate tax may lawfully be made under applicable provisions
28 of the internal revenue laws of the United States, whichever date last
29 occurs, and no suit or other proceedings for the collection of any tax

1 due under this chapter shall be begun after this date, unless the date
2 is extended by agreement between the department and the executor, in
3 which case that date shall govern, however, in the case of a false or
4 fraudulent return or of a failure to file a return, the tax may be
5 assessed, or a proceeding in court for the collection of the tax may
6 be begun without assessment, at any time.

7 Sec. 43.30.280. REFUNDS OF EXCESS TAX PAID. (a) Wherever it
8 appears upon the examination of a return made under this chapter or upon
9 proof submitted to the department by the executor, that an amount of
10 estate tax has been paid in excess of the tax legally due under this
11 chapter, then the amount of overpayment, together with any overpayment
12 of interest thereon shall be refunded to the executor and this refund
13 shall be made by the department as a matter of course regardless of
14 whether or not the executor has filed a written claim for it, except
15 that upon request of the department, the executor shall file with the
16 department a conformed copy of any written claim for refund of federal
17 estate tax which has been filed with the United States.

18 (b) Notwithstanding (a) of this section, no refund of estate tax
19 shall be made nor is any executor entitled to bring an action for refund
20 of estate tax after the expiration of two years from the date of
21 payment of the tax to be refunded unless there has been filed with the
22 department written notice of administrative or judicial determination
23 of the federal estate tax liability of the estate, whichever last
24 occurs, and notice shall have been so filed not later than 60 days
25 after determination has become final.

26 (c) In this section, an administrative determination shall be
27 considered to have become final on the date of receipt by the executor
28 or other interested party of the final payment to be made refunding
29 federal estate tax or upon the last date on which the executor or any

1 other interested party receives notice from the United States that an
2 overpayment of federal estate tax has been credited by the United States
3 against any liability other than federal estate tax of the estate. A
4 final judicial determination shall be considered to have occurred on
5 the date on which a judgment entered by a court of competent jurisdic-
6 tion and determining that there has been an overpayment of federal
7 estate tax becomes final.

8 (d) Nothing in this section shall be construed to prevent an
9 executor from bringing or maintaining an action in a court of competent
10 jurisdiction within a period otherwise prescribed by law to determine
11 any question bearing upon the taxable situs of property, the domicile
12 of a decedent, or otherwise affecting the jurisdiction of the state to
13 impose an inheritance or estate tax with respect to a particular item
14 of property.

15 Sec. 43.30.290. SUPERIOR COURT JUDGE TO FURNISH NAMES OF DECEDENTS.
16 The superior court judges of this state shall, on or before the 10th day
17 of every month, notify the department of the names of all decedents,
18 the names and addresses of the respective executors, administrators or
19 curators appointed, the amount of the bonds, if any, required by the
20 court, and the probable value of the estates, in all estates of decedents
21 whose wills have been probated or propounded for probate before him or
22 upon which letters testamentary or upon whose estates letters of adminis-
23 tration or curatorship have been sought or granted, during the preced-
24 ing months, and the report shall contain any other information which the
25 superior court judge may have concerning the estate of these decedents;
26 and the superior court judge shall also furnish immediately further
27 information, from the records and files of his office in regard to
28 the estates, which the department may from time to time require.

29 Sec. 43.30.300. CORPORATE EXECUTORS OF NONRESIDENT DECEDENTS. If

1 the executor of the estate of a nonresident is a corporation duly
2 authorized, qualified and acting as an executor in the jurisdiction of
3 the domicile of the decedent, it shall be under the duties and obli-
4 gations as to the giving of notices and filing of returns required by
5 this chapter, and may bring and defend actions and suits as may be
6 authorized or permitted by this chapter, to the same extent as an
7 individual executor, notwithstanding that the corporation may be pro-
8 hibited from exercising, in this state, any powers as executor, but noth-
9 ing in this section may be taken or construed as authorizing corpora-
10 tions not authorized to do business in this state to qualify or act
11 as executor, administrator or in any other fiduciary capacity, if other-
12 wise prohibited by the laws of this state, except to the extent ex-
13 pressly provided.

14 Sec. 43.30.310. PRIMA FACIE LIABILITY FOR TAX. The estate of
15 each decedent whose property is subject to the laws of the state shall
16 be considered prima facie liable for estate taxes under this chapter,
17 and shall be subject to a lien for them in an amount which may be later
18 determined to be due and payable on the estate as provided in this
19 chapter. This presumption of liability shall begin on the date of the
20 death of the decedent and shall continue until the full settlement of
21 all taxes which may be found to be due under this chapter, the settle-
22 ment to be shown by receipts for all taxes due to be issued by the
23 department as provided for in this chapter. Whenever it appears to
24 the department that an estate is not subject to a tax under this
25 chapter the department shall issue to the executor, administrator,
26 curator or other personal representative, or to the heirs, devisees,
27 or legatees of the decedent, a certificate in writing to that effect,
28 showing nonliability to tax, which certificate of nonliability shall
29 have the same force and effect as a receipt showing payment. This

1 certificate of nonliability shall be subject to record and admissible
2 in evidence in like manner as receipts showing payment of taxes. There
3 shall be paid to the department a fee of \$2.50 for each certificate so
4 issued.

5 Sec. 43.30.320. DISCHARGE OF ESTATE, NOTICE OF LIEN, LIMITATION,
6 ETC. (a) If no receipt for the payment of taxes, or no receipt of
7 nonliability for taxes has been issued or recorded as provided for in
8 this chapter, the property constituting the estate of the decedent in
9 this state shall be considered fully acquitted and discharged of all
10 liability for estate and inheritance taxes under this chapter after a
11 lapse of 10 years from the date of the filing with the department of
12 notice of the decedent's death, or after a lapse of 10 years from the
13 date of the filing with the department of an estate tax return, which-
14 ever date is earlier, unless the department makes out, files and has
15 recorded with the appropriate recorder wherein any part of the estate
16 of the decedent may be situated in this state, a notice of lien
17 against the property of the estate, specifying the amount or approxi-
18 mate amount of taxes claimed to be due to the state under this chapter,
19 which notice of lien shall continue the lien in force for an additional
20 period of five years or until payment is made. Notice of lien shall
21 be filed and recorded, however, if no receipt for the payment of taxes,
22 or no certificate of nonliability for taxes, has been issued or
23 recorded as provided for in this chapter, the property constituting
24 the estate of the decedent in this state, if the decedent was a resi-
25 dent of this state at the time of his death, shall be considered fully
26 acquitted and discharged of all liability for tax under this chapter
27 after a lapse of 10 years from the date of the death of the decedent,
28 unless the department makes out, files and has recorded notice of lien
29 as provided in this chapter, which notice shall continue said lien in

1 force against the property of the estate for an additional period of
2 five years or until payment is made.

3 (b) Notwithstanding anything to the contrary in this section
4 or this chapter, no lien for estate and inheritance taxes under this
5 chapter may continue for more than 20 years from the date of death
6 of the decedent, whether the decedent be a resident or nonresident of
7 this state.

8 Sec. 43.30.330. DISPOSITION OF PROCEEDS. All taxes and fees
9 levied and collected under this chapter shall be paid into the general
10 fund.

11 Sec. 43.30.340. INTERPRETATION AND CONSTRUCTION. When not other-
12 wise provided for in this chapter, the rules of interpretation and
13 construction applicable to the estate and inheritance tax laws of the
14 United States shall apply to and be followed in the interpretation
15 of this chapter.

16 Sec. 43.30.350. FAILURE TO PRODUCE RECORDS. A person who fails
17 to comply with any duty imposed upon him by this chapter, or who,
18 having in his possession or control any record, file or paper, contain-
19 ing or supposed to contain information concerning the estate of the
20 decedent, or having in his possession or control any property comprised
21 in the gross estate of the decedent, fails to exhibit the same upon
22 request to the department or an examiner or appraiser, appointed under
23 this chapter, who desires to examine the same in the performance of
24 his duties under this chapter, is liable to a penalty of not more than
25 \$1,000, with costs of suit, in a civil action in the name of the state.

26 Sec. 43.30.360. FAILURE TO MAKE RETURN. A person required under
27 this chapter to pay a tax, or required by law or regulation made under
28 authority of this chapter to make a return, keep records, or supply
29 information, for the purposes of the computation, assessment, or

1 collection of a tax imposed by this chapter, who wilfully fails to pay
2 the tax, make the return, keep the records, or supply the information, at
3 the time required by law or regulation, is guilty of a misdemeanor and
4 upon conviction is punishable by a fine of not more than \$10,000, or
5 by imprisonment for not more than one year, together with the costs of
6 prosecution, in addition to other penalties provided by law.

7 Sec. 43.30.370. FALSE RETURN. A person who wilfully aids or
8 assists in, or procures, counsels, or advises the preparation or presenta-
9 tion under or in connection with any matter arising under this chapter
10 of a false or fraudulent return, affidavit, claim, or document, is,
11 whether or not such falsity or fraud is with the knowledge or consent of
12 the person authorized or required to present the return, affidavit,
13 claim or document, guilty of a felony and, upon conviction, is punish-
14 able by a fine of not more than \$10,000 or by imprisonment for not more,
15 than five years, together with the costs of prosecution.

16 Sec. 43.30.380. FALSE STATEMENT IN RETURN. A person who knowingly
17 makes a false statement in a notice or return required to be filed
18 under this chapter is punishable by a fine of not more than \$5,000 or
19 by imprisonment for not more than one year.

20 Sec. 43.30.390. FAILURE TO PAY TAX, EVASION OF TAX, ETC. A person
21 required under this chapter to collect, account for and pay over a tax
22 imposed by this chapter, who wilfully fails to collect or truthfully
23 account for and pay over the tax, and a person who wilfully attempts in
24 any manner to evade or defeat a tax imposed by this chapter or the pay-
25 ment of it, is in addition to other penalties provided by law, guilty of
26 a felony and, upon conviction, is punishable by a fine of not more than
27 \$10,000 or by imprisonment for not more than five years, together with
28 the costs of prosecution.

29 Sec. 43.30.400. EFFECTIVENESS OF CHAPTER. This chapter shall

1 remain in force and effect so long as the government of the United
2 States retains in full force and effect as a part of the revenue laws
3 of the United States a federal estate tax, and this chapter shall cease
4 to be operative when the government of the United States ceases to
5 impose an estate tax of the United States.

6 Sec. 43.30.410. CERTAIN EXEMPTIONS. The tax imposed under the
7 inheritance and estate tax laws of this state in respect to personal
8 property, except tangible property having an actual situs in this
9 state, is not payable

10 (1) if the transferer at the time of his death was a resident
11 of a state or territory of the United States, or the District of Columbia,
12 which at the time of his death did not impose a death tax of any
13 character in respect to property of residents of this state, except
14 tangible personal property having an actual situs in the state, territory
15 or district; or

16 (2) if the laws of the state, territory or district of the
17 residence of the transferer at the time of his death contained a
18 reciprocal exemption provision under which nonresidents were exempted
19 from death taxes of every character in respect to personal property,
20 except tangible personal property having an actual situs therein, and
21 provided that the state, territory or district of the residence of the
22 nonresident decedent allowed a similar exemption to residents of the
23 state, territory or district of residence of the decedent.

24 Sec. 43.30.420. DEFINITIONS. In this chapter

25 (1) "department" means the Department of Revenue;

26 (2) "executor" means the executor, administrator or curator
27 of the decedent, or if there is no executor, administrator or curator
28 appointed qualified and acting, then any person who is in the actual
29 or constructive possession of any property included in the gross estate

1 of the decedent;

2 (3) "person" means persons, corporations, associations,
3 joint stock companies and business trusts;

4 (4) "transfer" shall be taken to include the passing of
5 property or any interest therein, in possession or enjoyment, present
6 or future, by inheritance, descent, devise, succession, bequest ,
7 grant, deed, bargain, sale, gift, or appointment in the manner herein
8 described;

9 (5) "decedent" shall include the testator, intestate
10 grantor, bargainor, vendor, or donor;

11 (6) "resident" means a natural person domiciled in the
12 state;

13 (7) "nonresident" means a natural person domiciled outside
14 the state;

15 (8) "gross estate" means the gross estate as determined
16 under the provisions of the applicable federal revenue Act;

17 (9) "net estate" means the net estate as determined under
18 the provisions of the applicable federal revenue Act;

19 (10) "real property" means real property as it is commonly
20 understood and includes real property whose legal title is in the
21 decedent but which is subject to a contract of sale to a third party;

22 (11) "tangible personal property" means corporeal personal
23 property, including money; and the term "intangible personal property"
24 means incorporeal personal property including deposits in banks,
25 negotiable instruments, mortgages, debts, receivables, shares of stock,
26 bonds, notes, credits, evidences of an interest in property, evidences of
27 debt and choses in action generally;

28 (12) "United States" when used in a geographical sense
29 includes only the 50 states and the District of Columbia;

1 Sec. 43.30.430. SHORT TITLE. This chapter may be cited as the
2 Estate Tax Law of Alaska.

3 * Sec. 2. The provisions of this chapter apply to estates of decedents
4 dying after 12:01 a.m., Pacific Standard time, on the day after the effective
5 date of this Act, and estates of decedents dying before 12:01 a.m., Pacific
6 Standard time on the day after the effective date of this Act shall be taxed
7 in accordance with the statutes and laws of this state in force before that
8 date, which statutes and laws shall remain in force after the effective
9 date of this Act for this purpose.

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