

Introduced: 2/19/69
Referred: Commerce
and Finance

1 IN THE SENATE

BY JOSEPHSON

2 SENATE BILL NO. 176

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the net income tax; and providing
7 for an effective date."

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

9 * Section 1. AS 43.20.010(a) is amended to read:

10 (a) There is levied and there shall be collected and paid for
11 each taxable year upon the net income of every resident and nonresident
12 individual, fiduciary and bank that is required to make a return and
13 pay a tax under the federal income tax law a tax equal to 16 per cent
14 of the total income tax that would be payable for the same taxable year
15 to the United States at the federal tax rates in effect on December 31,
16 1963, under the provisions of chapter 1 of subtitle A of the 1954
17 Internal Revenue Code, Public Law 591, 83rd Congress, 2nd Session, as
18 amended [, UPON ALL INCOME DERIVED FROM SOURCES WITHIN THE STATE].

19 * Sec. 2. AS 43.20.010(b) is amended to read:

20 (b) There is levied and there shall be collected and paid for
21 each taxable year upon the net income of every resident and nonresident
22 corporation that is required to make a return and pay a tax under the
23 federal income tax law a tax equal to 18 per cent of the total income
24 tax that would be payable for the same taxable year to the United
25 States at the federal tax rates in effect on December 31, 1963, under
26 the provisions of chapter 1 of subtitle A of the 1964 Internal Revenue
27 Code, Public Law 591, 83rd Congress, 2nd Session, as amended [, UPON
28 ALL INCOME DERIVED FROM SOURCES WITHIN THE STATE].

29 * Sec. 3. AS 43.20.010(c)(2)(B) is amended to read:

1 (B) Deductions claimed by nonresidents shall be allowed
2 only if and to the extent that they are directly connected with

3 (i) income which arises from sources within the
4 state; or

5 (ii) property having a situs for taxation within
6 the state.

7 * Sec. 4. AS 43.20.010(c) is amended by adding a new paragraph to read:

8 (9) Nonresident taxpayers shall be taxed only upon all in-
9 come derived from sources in the state.

10 * Sec. 5. AS 43.20.180 is amended to read:

11 Sec. 43.20.180. CREDITS AGAINST TAX. (a) The amounts deducted
12 and withheld as taxes under sec. 170 of this chapter during a calendar
13 year are allowed as credits to the taxpayer against the tax imposed by
14 this chapter.

15 (b) Income taxes paid to other states by resident taxpayers are
16 allowed as credits to the taxpayer against the tax imposed by this
17 chapter upon income derived from sources in the other states.

18 * Sec. 6. This Act takes effect January 1, 1970.
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