

Introduced: 3/21/69
Referred: Finance

CS

1 IN THE SENATE

BY V. PHILLIPS

2 SENATE BILL NO. 289

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 Alaska net income tax; and
7 providing 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 (1) individual who [, FIDUCIARY, AND BANK THAT] is required
13 to make a return and pay a tax under the Federal Income Tax law a tax
14 equal to eight [16] per cent of the total income tax that would be
15 payable for the same taxable year to the United States under the provi-
16 sions of chapter 1 of subtitle A of the 1954 Internal Revenue Code,
17 Public Law 591, 83rd Congress, 2nd Session, as amended, upon all income
18 derived from sources within the state, without benefit of the deduction
19 of the tax payable under this chapter to the state;

20 (2) fiduciary and bank that is required to make a return and
21 pay a tax under the Federal Income Tax law a tax equal to 16 per cent
22 of the total income tax that would be payable for the same taxable year
23 to the United States under the provisions of chapter 1 of subtitle A of
24 the 1954 Internal Revenue Code, Public Law 591, 83rd Congress, 2nd
25 Session, as amended, upon all income derived from sources within the
26 state, without benefit of the deduction of the tax payable under this
27 chapter to the state.

28 * Sec. 2. AS 43.20.170(a) is amended to read:

29 (a) Every employer making payment of wages or salaries shall

1 deduct and withhold a tax in the amount of 10.25 [20.5] per cent of the
2 tax deducted and withheld under secs. 3401; 3402(a) - (1); 3403; 3404;
3 3502(b); 3504; 6011(a); 6051; 6081; 6415; 6501(a), (b)(2), (c)(1) - (3);
4 6502(a); 6513(c); 6611(a), (b), (d); 6651(a); 6659; 6674; 7204; 7205 of
5 the Internal Revenue Code of 1954, except that in the case of an
6 employee whose wage or salary includes a cost-of-living allowance which
7 is exempt from the federal income tax, the amount deducted and withheld
8 under this subsection shall be determined as if the cost-of-living
9 allowance is not exempt. Every employer making a deduction and a with-
10 holding shall furnish to the employee upon request a record of the
11 amount of tax withheld from the employee on a form prescribed, prepared,
12 and furnished by the commissioner of revenue.

13 * Sec. 3. Sec. 1 of this Act shall be retroactive to January 1, 1969.

14 * Sec. 4. This Act takes effect when a sum exceeding \$100,000,000 is re-
15 ceived by the state or made owing to the state in the calendar year ending
16 December 31, 1969 from oil and gas lease bonuses.