

Introduced: 1/18/73
Referred: Commerce, Judiciary
and Finance

1 IN THE HOUSE

BY FINK AND HUBER

2 HOUSE BILL NO. 94

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act providing for a tax on earned interest in
7 excess of eight per cent."

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

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

10 CHAPTER 90. INTEREST TAX.

11 Sec. 43.90.010. TAX ON INTEREST. A person who loans money or
12 extends credit in the state bearing an interest rate or equivalent
13 charge in excess of eight per cent simple annual interest shall pay a
14 tax equal to 50 per cent of the total interest earned on the loan or
15 extension of credit.

16 Sec. 43.90.020. MANNER OF PAYING TAX. (a) A person subject to
17 the tax imposed by sec. 10 of this chapter shall file a return with the
18 Department of Revenue stating the amount of interest earned on loans
19 or extensions of credit bearing an interest rate or equivalent charge
20 in excess of eight per cent simple annual interest.

21 (b) The return shall be made on the basis of the calendar year
22 before March 15 after the close of the calendar year.

23 (c) The tax shall be paid before March 15 after the close of the
24 calendar year.

25 Sec. 43.90.030. REGULATIONS. The department may promulgate
26 regulations and prescribe forms necessary to carry out secs. 10 - 60
27 of this chapter.

28 Sec. 43.90.040. EXEMPTION. The tax levied in sec. 10 of this
29 chapter does not apply to loans or extensions of credit made under the

1 provisions of AS 06.20 or AS 45.10.

2 Sec. 43.90.050. PENALTIES. (a) A person who wilfully attempts
3 to evade the tax imposed by this chapter is guilty of a felony and,
4 upon conviction, shall be fined not more than \$5,000, or imprisoned
5 for not more than five years, or both, together with the costs of
6 prosecution.

7 (b) A person required under this chapter to pay a tax, make a
8 return, keep records, or supply information, who wilfully fails to
9 pay the tax or estimated tax, make the return, keep the records, or
10 supply the information, is guilty of a misdemeanor and, upon conviction,
11 shall be fined not more than \$5,000, or imprisoned for not more than
12 one year, or both, together with the costs of prosecution.

13 (c) A person who wilfully makes and subscribes a return, state-
14 ment, or other document required under this chapter which contains or
15 is verified by a written declaration that it is made under the penalties
16 of perjury which he does not believe to be true and correct as to every
17 material matter is guilty of a felony and, upon conviction, shall be
18 fined not more than \$5,000, or imprisoned for not more than three years,
19 or both, together with the costs of prosecution.

20 (d) A person who wilfully and knowingly aids or assists in, or
21 procures, or counsels the preparation or presentation in connection
22 with any matter arising under this chapter of a return, affidavit, claim
23 or other document, which is fraudulent or is false as to any material
24 matter is guilty of a felony whether or not the falsity or fraud is
25 with the knowledge or consent of the person required to present the
26 return, affidavit, claim, or document, and, upon conviction, shall be
27 fined not more than \$5,000, or imprisoned for not more than three
28 years, or both, together with the costs of prosecution.

29 (e) A person who wilfully delivers or discloses to the

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commissioner or the department under this chapter any list, return, account, statement, or other document known by him to be fraudulent or to be false as to any material matter shall be fined not more than \$1,000, or imprisoned for not more than one year, or both.

(f) In this section "person" includes, but is not limited to, an officer or employee of a corporation or a member or employee of a partnership, who as officer, employee, or member is under a duty to perform the act in respect to which the violation occurs.

Sec. 43.90.060. DEFINITIONS. In this chapter

(1) "financial institution" means a bank, trust company, savings bank, private banker, savings and loan association, investment company, loan company, finance company, or any type of insurance company;

(2) "person" means an individual, a trust or estate, a partnership or a corporation, including a financial institution.