

Introduced: 1/21/80
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY COTTEN

2 HOUSE BILL NO. 587

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - SECOND SESSION

5 A BILL

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

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

9 * Section 1. AS 43.20.015(b)(2) is amended to read:

10 (2) for the second tax year beginning after December 31, 1977
11 that a taxpayer files an income tax return and for each tax year there-
12 after - \$5,000. [\$200;]

13 * Sec. 2. AS 43.20.015 is amended by adding a new subsection to read:

14 (e) For each tax year beginning after the second year described in
15 (b)(2) of this section, an individual taxpayer is entitled to interest
16 on the first \$5,000 withheld from his wages or salary under AS 43.20.-
17 170. For each year the department shall determine the weighted average
18 rate of interest received by the state from investments under AS 37.-
19 10.070, 37.10.075 and 37.10.079. The weighted average rate of interest
20 for the year preceding the year in which the department receives the
21 withheld wages and salaries is the rate at which interest accrues on the
22 withheld wages and salaries received by the department. On receipt of
23 the taxpayer's annual state income tax return, the department shall
24 determine the amount of interest payable to the taxpayer and shall
25 distribute the amount to the taxpayer. In this subsection, "weighted
26 average rate of interest" means the average of the interest rates re-
27 ceived from investments of state general fund money with each interest
28 rate given a weight indicating the proportionate amount invested at that
29 interest rate.

1 * Sec. 3. AS 43.20.015(b)(3) is repealed.

2 * Sec. 4. This Act is retroactive to January 1, 1979, and relates to tax
3 years beginning after December 31, 1978.

4 * Sec. 5. This Act takes effect immediately in accordance with AS 01.10.-
5 070(c).

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