

Original sponsors: Vaska, Grussendorf,
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Offered: 4/14/81
Referred: Finance

1 IN THE HOUSE

BY THE COMMUNITY AND
REGIONAL AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 367 (C&RA)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to state aid for municipal sales and
7 use tax relief; and providing for an effective date."

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

9 * Section 1. AS 29 is amended by adding a new chapter to read:

10 CHAPTER 93. STATE AID FOR MUNICIPAL SALES AND USE TAX RELIEF.

11 Sec. 29.93.010. STATE AID FOR SALES AND USE TAX RELIEF. For each
12 quarter of the calendar year the department shall pay an entitlement to
13 each qualified municipality. A municipality may use the entitlement in
14 place of money which would have been collected from the levy of sales
15 and use taxes. A municipality which levied a sales and use tax in
16 effect on January 1, 1981, qualifies for an entitlement if the munici-
17 pality

18 (1) does not collect a sales and use tax during the quarter
19 of the calendar year for which the entitlement is sought, unless the
20 tax is approved by the voters who are subject to it; and

21 (2) files an application in accordance with AS 29.93.020.

22 Sec. 29.93.020. APPLICATION. After each quarter of the calendar
23 year a municipality may apply for an entitlement under this chapter.
24 An application shall include the amount of money which would have been
25 collected by the municipality during the quarter from the levy of sales
26 and use taxes as they were in effect on January 1, 1981, together with
27 evidence substantiating the amount if required by the department.

28 Sec. 29.93.030. REVIEW. The department shall review each applica-
29 tion for an entitlement under this chapter. If the department deter-

1 mines that the amount included on the application as the amount of
2 money which would have been collected by the applicant from the levy of
3 sales and use taxes as they were in effect on January 1, 1981, is not
4 accurate, the department may adjust the amount and notify the munici-
5 pality in writing.

6 Sec. 29.93.040. ENTITLEMENT. (a) An entitlement under this
7 chapter shall equal the total amount which would have been collected by
8 the applicant during the quarter of the calendar year for which the
9 entitlement is made from the levy of sales and use taxes as they were
10 in effect on January 1, 1982.

11 (b) The department shall determine the amount of an entitlement.
12 A decision made by the department may be appealed to the superior court
13 within 60 days after the applicant receives notification of the
14 decision.

15 Sec. 29.93.050. MUNICIPAL SALES AND USE TAX RELIEF ACCOUNT. The
16 municipal sales and use tax relief account is established. Money to
17 carry out the provisions of this chapter shall be allocated by the
18 department to the account from appropriations for the purpose. If the
19 appropriations are not sufficient to pay the entitlements, the amount
20 allocated to the account shall be distributed by the department pro
21 rata among qualified municipalities.

22 Sec. 29.93.060. DUTIES OF THE DEPARTMENT. (a) The department
23 shall adopt regulations necessary to carry out the purposes of this
24 chapter. The regulations shall include procedures and filing dates for
25 submitting financial reports and applications for entitlements.

26 (b) The department shall make reasonable efforts to advise and
27 assist a municipality in collecting information and completing applica-
28 tions necessary for the determination of an entitlement under this
29 chapter.

1 (c) Each year the department shall project the amount needed to
2 fully fund the municipal sales and use tax relief account and shall
3 submit a report on the account to the legislature together with the
4 amount needed to fully fund the account.

5 Sec. 29.93.070. DEFINITIONS. In this chapter

6 (1) "department" means the Department of Community and
7 Regional Affairs;

8 (2) "municipality" means a home rule or general law city or
9 borough, or a unified municipality.

10 * Sec. 2. This Act authorizes entitlements under AS 29.93.010 beginning
11 the third quarter of calendar year 1981.

12 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
13 070(c).

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