

Introduced: 1/19/87  
Referred: Judiciary and  
Finance

5-0281A

1 IN THE SENATE BY KERTTULA

2 SENATE BILL NO. 46

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTEENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the payment of certain tax obli-  
7 gations and use of the funds; and changing Alaska  
8 Court Appellate Rule 603."

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

10 \* Section 1. LEGISLATIVE INTENT. It is the intent of the legislature  
11 that the account created under AS 43.05.240(f), as enacted by sec. 2 of  
12 this Act, be handled as an escrow account to preserve the funds allocated  
13 to the account

14 (1) from general use by the state until a court has determined  
15 that the funds belong to the state;

16 (2) for repayment to the appellant if a court determines that  
17 the appellant does not owe the funds to the state.

18 \* Sec. 2. AS 43.05.240 is amended by adding new subsections to read:

19 (e) Within 30 days after receipt of the department's decision  
20 resulting from a formal hearing requested by a person under (b) of  
21 this section, the person shall pay the department the taxes, pen-  
22 alties, and interest determined by the department to be due even if  
23 the person files an appeal to the superior court under (d) of this  
24 section. Unless the court determines that the person does not have  
25 sufficient assets to pay the amount determined to be due, the court  
26 may not allow the person to postpone during the appeal the payment  
27 required by this subsection.

28 (f) The department shall deposit in the general fund of the  
29 state all money received under (d) of this section. The commissioner

1 of administration shall separately account for the money that the  
2 department deposits in the general fund under this subsection. The  
3 legislature may use all or part of the balance in the account each  
4 year to make appropriations to fund, after settlement or judicial  
5 resolution of appeals brought under (d) of this section,

6 (1) refund payments to appellants as required by the set-  
7 tlements or judicial resolutions;

8 (2) other state activities to the extent that the money in  
9 the account is determined by the settlements or judicial resolutions  
10 to belong to the state.

11 \* Sec. 3. AS 43.05.240(e), as enacted by sec. 2 of this Act, changes  
12 Alaska Court Appellate Rule 603 by prohibiting the court from allowing an  
13 appellant under AS 43.05.240(d) to postpone during the appeal payment of  
14 the amount determined by the Department of Revenue to be due, unless the  
15 court determines that the appellant does not have sufficient assets to pay  
16 the amount.

17 \* Sec. 4. AS 43.05.240(e) and (f), as enacted by sec. 2 of this Act,  
18 apply to tax years beginning on or after January 1, 1987.