

THE LEGISLATURE OF THE STATE OF ALASKA
FISCAL NOTE

Second Session - Ninth Legislature

I. REQUEST

Bill No. Senate Concurrent Resolution No. 50
 Title: Relating to state taxation of the federal income tax rebates
 Requested by: James D. Fennel Date: 12-5-75
 Return Date Requested: 1-1-76
 Agency: Revenue Program: Audit

II. FISCAL DETAIL

Budget Request Unit(s) Affected: _____

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 76	FY 77	FY 78	FY 79	FY 80	FY 81
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	-0-					

B. FUNDING: (Thousands of dollars)

GENERAL FUND	-0-					
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	/	/	/	/	/	/
MAN MONTHS (P./T.)	/	/	/	/	/	/

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

See memorandum from Frederick P. Boetsch, Deputy Commissioner, Department of Revenue dated December 26, 1975 to James D. Fennel; also earlier letter from Frederick P. Boetsch dated May 28, 1975 to the Honorable Bill Ray, Chairman, Senate Finance Committee.

IV. ATTACHMENTS

Memorandum dated 12-26-75 from Boetsch to Fennel.
 Letter dated 5-28-75 from Boetsch to Senator Ray.

V. DATE: Dec. 29, 1975 PREPARED BY: R.D. Stevenson

R.D. Stevenson, Special Assistant
 Department of Revenue

Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

MEMORANDUM

State of Alaska

TO: James D. Fennel
Staff Assistant
Senate Finance Committee

DATE: December 26, 1975

FILE NO:

TELEPHONE NO:

FROM: Frederick P. Boetsch *FPE*
Deputy Commissioner, Taxation
Department of Revenue

SUBJECT: SCR 50

You're advised that there is no change in fiscal note since our memorandum of May 28, 1975 regarding the subject resolution. There are no administrative problems with this measure, no additional administrative costs and no effect on State Treasury.

STATE OF ALASKA

JAY S. HAMMOND, Governor

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH 5 — JUNEAU 99801

May 28, 1975

The Honorable Bill Ray
Chairman
Senate Finance Committee
Alaska State Legislature
State Capitol
Juneau, Alaska

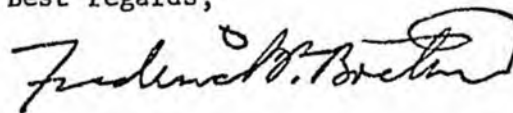
Dear Senator Ray:

We have reviewed SCR 50 relating to the non-taxability of the special Federal rebates on 1974 income taxes.

At the time of the passage of the 1975 tax reduction act which is the Federal legislation providing for these rebates, we reviewed that statute and had concluded that the rebates would not be taxable for Alaska purposes.

Accordingly, our determination is in agreement with the thrust of SCR 50 and we therefore do not anticipate any administrative problems or detrimental effects on the State Treasury as a result of passage of this resolution and the adoption of the policy stated therein.

Best regards,



Frederick P. Boetsch, C.P.A.
Deputy Commissioner, Taxation

FPB:eh

Introduced: 5/24/75
Referred: Finance

1 IN THE SENATE

BY COLLETTA AND CROFT

2 SENATE CONCURRENT RESOLUTION NO. 50

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 Relating to state taxation of the federal
6 income tax rebates.

7 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 WHEREAS there exists some doubt as to whether or not the state can tax
9 the federal income tax rebates now being received by Alaskans and all other
10 citizens as the federal law does not expressly prohibit state taxation of the
11 rebates; and

12 WHEREAS the United States House Ways and Means Committee has expressed
13 a strong preference that states do not tax the rebates; and

14 WHEREAS to tax the rebates would be unfair and unjust as well as subvert
15 the purpose of the federal government in authorizing the rebates;

16 BE IT RESOLVED by the Alaska State Legislature that it is the intent of
17 the legislature that the Department of Revenue not make a determination to
18 tax the federal rebates, but rather should treat the rebates in the same
19 manner as ordinary refunds for overpayment of taxes.
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DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER / POUCH 5 — JUNEAU 99801

JAY S. HAMMOND, Governor

May 28, 1975

The Honorable Bill Ray
Chairman
Senate Finance Committee
Alaska State Legislature
State Capitol
Juneau, Alaska

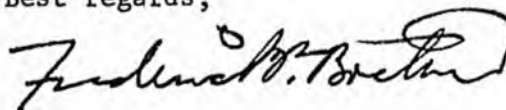
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