

SB

260

COMMITTEE REPORT

SENATE

FURTHER: Finance, Labor & Management

4/3/79

Date: 3-19-80

Mr. President:

The Committee on HEALTH, EDUCATION AND SOCIAL SERVICES has had SB 260 repealing the school tax

under consideration and (a majority of the committee) (the committee) reports it back with the following recommendations:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back with ^{no} ~~out~~ recommendation
- referred to the _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS:

Steve Jackson
CHAIRMAN
W.D.C.

SB 260 "An Act respecting the ^{S.H.E.S.S. 79-80} school tax: and
providing for an effective date.
By Atkinson

FN & prev memo herein.

Introduced 4-3-79

Logged 4-3-79

Refers to Finance and Labor Dept.

Comm. meeting 3-19-80 - passed out of Comm. 2-20-80 - 1 page

" article -> taken from page 370-80 - 8:30 AM

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH S - JUNEAU 99811

April 19, 1979

The Honorable Glenn Hackney
Chairman
Senate Health, Education &
Social Services Committee
Assembly Building, Room 105
Juneau, AK 99801

Dear Senator Hackney:

SENATE BILL NO. 260

Senate Bill 260, an Act repealing the school tax, was introduced in the Senate on April 3, 1979, and was referred to the Senate Health, Education and Social Services, Finance and Labor and Management Committees.

For the consideration of the Senate Health, Education and Social Services Committee, I am enclosing a copy of a Fiscal Note prepared by Mr. Gary L. Jenkins, Director, Audit Division, Department of Revenue, concerning the proposed legislation.

Sincerely,



R. D. Stevenson
Special Assistant

Enclosure

cc: The Honorable John C. Sackett
Chairman, Senate Finance Committee

The Honorable Frank Ferguson
Chairman, Senate Labor & Management Committee

Thomas K. Williams, Commissioner
Department of Revenue

Gary L. Jenkins, Director
Audit Division
Department of Revenue

THE LEGISLATURE OF THE STATE OF ALASKA
ELEVENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. Senate Bill No. 260
 Title An Act repealing the school tax
 Requested by Health, Education & Social Services, Date April 17, 1979
Finance and Labor & Management Committees

II. FISCAL DETAIL
 Agency Affected Revenue
 Program Category Affected Fiscal Services
 Budget Request Unit(s) Affected Audit Division

EXPENDITURES (Thousands of Dollars) None

	FY 79	FY 80	FY 81	FY 82	FY 83	FY 84
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars) None

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify)						

POSITIONS None

FULL TIME						
PART TIME						
TEMPORARY						

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

STATE
of ALASKA

MEMORANDUM

TO: R. D. Stevenson
Special Assistant
Department of Revenue

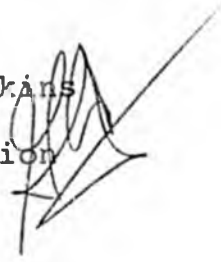
DATE: April 17, 1979

FILE NO:

TELEPHONE NO:

FROM: Gary L. Jenkins
Director
Audit Division

SUBJECT: Senate Bill No. 260



This bill would repeal the school tax which is ch. 45 of Title 43. The result of this action would be a loss of revenue to the State for 1980 of approximately \$2,500,000.

There would be no affect on the administrative costs as a result of this legislation.

5) 2,500,000
2,500,000
2,500,000

March 5, 1980

TO: Senator Terry Stimson
FROM: Sandy Perry
RE: SB 260; "An Act repealing the school tax"

As stated in the letter attached to the FY note of April '79, the loss of revenue to the State would be approximately \$2,500,000.

According to Mr. Gary Jenkins of the Dept. of Revenue, there is NO distinction as to "Program Management Costs".....collections, with holdings, etc. are not single entities and therefore a figure can not be put to it.

As to how many people it takes to manage the School Tax Program, the above holds true also.

As far as forms are concerned all that would need to be done would be a line drawn thru the School Tax portion. Postage and paper handling would not change significantly.

Repealing the School Tax would however relieve Excedrin Headache # 43.45.010.

Glenn-

I hope this answers some of your questions and will help move this bill out of H.S. as expeditiously as possible.

Terry (SP)

cc: Senator Glenn Hackney

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POSITIONS None

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Special Assistant
Department of Revenue

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Article 2. Disaster Severance Tax.

Section

110 — 160. [Repealed]

Secs. 43.43.110 — 43.43.160.

Repealed by § 2 ch 247 SLA 1970.

Editor's note. — The repealed article derived from § 1, ch. 31, FSSLA 1967.

Section 2, ch. 247, SLA 1970, effective July 1, 1970, provides that this repeal does

not prevent the expenditure of funds authorized by other disaster relief legislation.

Chapter 45. School Tax.

Section

- 10. Tax imposed
- 20. Persons exempt from tax
- 30. Record of withholding

Section

- 40. Overpayment, credit, and refund
- 50. [Repealed]
- 60. Penalties

Sec. 43.45.010. Tax imposed. (a) There is imposed a school tax of \$10 a year upon each person 19 years of age or older gainfully employed in the state or on the waters of the state, except (1) a married person who is unemployed and entirely dependent upon the income of the spouse and whose spouse has paid a school tax, and (2) a person exempt under § 20 of this chapter.

(b) The proceeds of the tax levied by this chapter shall be paid into the general fund of the state.

(c) The tax is due on January 1 and shall be paid before April 16 of the calendar year following the year for which it is imposed. An employer upon the first regular payroll after January 1 of each calendar year or, in the cases of employees on later payrolls, on the first payroll after their employment, shall deduct the tax from the employee's salary or other compensation and send it to the commissioner of revenue at the same time the quarterly state net income tax withholding return is filed, except that no deduction may be made in the first pay period from the compensation of a person casually employed unless the amount earned in the first pay period is \$25 or more. Return forms for this purpose shall be prescribed and provided by the commissioner of revenue. (§ 1 ch 41 SLA 1957; am § 1 ch 175 SLA 1957; am § 1 ch 149 SLA 1959; am § 1 ch 179 SLA 1960; am § 111 ch 127 SLA 1974)

Effect of amendment. The 1974 amendment, in item (1) of subsection (a), substituted "person" for "woman," "the spouse" for "her husband," and "whose spouse" for "whose husband."

Am. Jur. and C.J.S. references. — 47 Am. Jur., Schools, §§ 76 to 82; 51 Am. Jur.,

Taxation, §§ 132 to 137, 147, 184, 337, 387 to 407, 443, 565, 805, 894 to 900, 970, 1020, 1066, 1098, 1128, 1275.

84 C.J.S. Taxation § 640.

Sec. 43.45.020. Persons exempt from tax. Persons in the active military or naval service of the United States, paupers, insane persons, persons cared for by the state and persons permanently injured, infirm, maimed or crippled so as to be disabled from earning a livelihood are exempt from the payment of the school tax. (§ 37-4-3 ACLA 1949; am § 2 ch 179 SLA 1960)

Sec. 43.45.030. Record of withholding. Every employer making a deduction and withholding a school tax shall furnish to the employee upon request a record of the amount of tax withheld from the employee on a form prescribed and furnished by the commissioner of revenue. (§ 37-4-4 ACLA 1949; am § 3 ch 179 SLA 1960)

Sec. 43.45.040. Overpayment, credit, and refund. The commissioner of revenue may credit or refund an overpayment of the tax, a tax erroneously or illegally assessed or collected, a penalty collected without authority, and any tax unjustly assessed or excessive in amount or wrongfully collected. (§ 37-4-5 ACLA 1949; am § 4 ch 179 SLA 1960)

Sec. 43.45.050. Failure to file return.
Repealed by § 3 ch 166 SLA 1976.

Cross reference. — For civil penalty imposed for failure to file a return or report, or pay the full amount of a tax, or a portion or a deficiency of the tax, see AS 43.05.220.

Editor's note. — The repealed section derived from § 1, ch. 41, SLA 1957; § 1, ch 175, SLA 1957; § 1, ch. 149, SLA 1959; § 1, ch. 179, SLA 1960.

Sec. 43.45.060. Penalties. (a) If a person required under this chapter to collect, account for, and pay over the school tax imposed by this chapter, wilfully fails to do so or if a person wilfully attempts to evade or defeat the tax imposed by this chapter, he is, in addition to other penalties provided by law, guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$1,000, or by imprisonment for not more than one year, or by both, together with the costs of prosecution.

(b) An individual who wilfully makes and signs a return which he does not believe to be true and correct as to every material matter is guilty of a misdemeanor, and upon conviction is punishable by a fine of not more than \$1,000, or by imprisonment for not more than one year, or by both, together with the costs of prosecution.

(c) In this section "person" includes an officer or employee of a corporation or a member or employee of a partnership who is under a duty to perform the act in respect to which the violation occurs. (§ 37-4-6 ACLA 1949; am § 5 ch 179 SLA 1960)

Article

1. Cigarette Tax
2. Additional Cig

Section

10. License
20. Separate lice
30. License fees
35. Wholesaler-d
40. Expiration o
50. Transfer of
60. Refunds
70. Revocation o
80. Returns

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