

COMMITTEE REPORT

SENATE

FURTHER:

1/22/86

Date _____

Mr. President

The Committee on FINANCE considered SB 359

relating to the disclosure of state tax assessments of the Department of Revenue

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

- do pass
- do pass with attached amendment(s)
- replace with/or adopt CS for _____
- new title
- same title and recommends _____
- and attached a "LETTER OF INTENT" NEW FISCAL NOTE
- reports it back without recommendation
- recommends referral to _____ Committee

MEMBERS SIGNING
DO PASS

MEMBERS HAVING
OTHER RECOMMENDATIONS

Chairman

Chairman recommendation

Introduced: 1/22/86
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
BUDGET AND AUDIT COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO. 359

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the disclosure of state tax
7 assessments of the Department of Revenue."

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

9 * Section 1. LEGISLATIVE FINDINGS. (a) The legislature finds that

10 (1) the natural resources of land owned by the state belong to
11 the citizens of the state;

12 (2) natural resource extraction presently dwarfs all other
13 taxable economic activity in the state;

14 (3) the vast majority of the state's revenue is derived from the
15 extraction of natural resources; and

16 (4) state government provides a wide range of critical services
17 to the citizens of the state to ensure the public health and welfare.

18 (b) The legislature further finds that

19 (1) the citizens of the state must be assured that the state is
20 receiving all of the income to which it is entitled;

21 (2) since the revenue from the extraction of natural resources
22 is derived from only a relatively few taxpayers, the consequences of error
23 in each case are magnified.

24 (3) the legislature must exercise its oversight authority to
25 assure that the administration of revenue collection by the Department of
26 Revenue is conducted efficiently, fairly, promptly and in the best inter-
27 ests of the citizens of the state;

28 (4) there is legitimate and compelling governmental interest for
29 the legislature and the public to have adequate access to information
S

1 regarding the revenue owed to the state from the extraction of natural
2 resources to allow responsible oversight;

3 (5) without sufficient information, the legislature cannot
4 adequately determine that the state's revenue collection functions are
5 properly administered and that revenue due the state is promptly received;
6 and

7 (6) the public interest may best be served if the identity of a
8 corporate taxpayer and the amount assessed against the corporate taxpayer
9 is available at the time of assessment, whether or not the corporate tax-
10 payer agrees that the amount is due and whether or not any amount is delin-
11 quent.

12 * Sec. 2. LEGISLATIVE PURPOSE. The legislature adopts sec. 3 of this
13 Act in response to concerns identified by the findings in sec. 1 of this
14 Act to ensure that

15 (1) the state is receiving all revenue due the state;

16 (2) oversight of the revenue collecting function is sufficiently
17 provided; and

18 (3) revenue due to the state is available to provide for the
19 public health and welfare of the citizens of the state.

20 * Sec. 3. AS 43.05.230(e) is amended to read:

21 (e) This section does not prohibit [NOTHING IN THIS SECTION
22 PROHIBITS] the publication of statistics [SO] classified as to prevent
23 the identification of particular returns or reports, together with
24 other relevant information that, in the opinion of the department, may
25 assist in the collection of taxes. The assessments made by the de-
26 partment against corporate taxpayers and [OR THE PUBLICATION OF]
27 delinquent lists showing the names of taxpayers who have failed to pay
28 their taxes at the time and in the manner provided by law are public
29 records [, TOGETHER WITH OTHER RELEVANT INFORMATION WHICH IN THE

1 OPINION OF THE DEPARTMENT MAY ASSIST IN THE COLLECTION OF DELINQUENT
2 TAXES].
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

ALASKA STATE LEGISLATURE

14th... Legislature ... 2nd... Session

SENATE .. BILL..... NO. ...359..

By THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
BUDGET AND AUDIT COMMITTEE

"An Act relating to the dis-
closure of state tax assessments
of the Department of Revenue. "

Introduced in the Senate .. 1/22., 19...86

HISTORY IN THE SENATE

19 86

1 22

Read first time and referred
to Committee on

FINANCE

Reported back with
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Sent to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Read first time and referred
to Committee on

Reported back with
recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Returned to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Received from House

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date _____

REQUEST

Bill/Resolution No: SB 359
 Title: An Act relating to the disclosure of state tax assessments of the Department of Revenue
 Sponsor: Senate Rules Committee
 Requestor: Legislative Budget and Audit
 Date of Request: January 22, 1986

FISCAL DETAIL

Agency Affected: Revenue
 BRU: Enforcement
 Components: _____

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	-	-	-	-	-	-
TRAVEL	-	-	-	-	-	-
CONTRACTUAL	-	-	-	-	-	-
SUPPLIES	-	-	-	-	-	-
EQUIPMENT	-	-	-	-	-	-
LANDS & STRUCTURES	-	-	-	-	-	-
GRANTS, CLAIMS	-	-	-	-	-	-
MISCELLANEOUS	-	-	-	-	-	-
TOTAL OPERATING	-	-	-	-	-	-
CAPITAL	-	-	-	-	-	-
REVENUE	-	-	-	-	-	-

FUNDING: (Thousands of Dollars)

GENERAL FUND	-	-	-	-	-	-
FEDERAL FUNDS	-	-	-	-	-	-
OTHER	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

POSITIONS:

FULL-TIME	-	-	-	-	-	-
PART-TIME	-	-	-	-	-	-
TEMPORARY	-	-	-	-	-	-

ANALYSIS: The necessary one-time cost of programming the accounts receivable system to allow corporate taxpayers to be segregated from individual taxpayers can be accomplished within Enforcement's FY '87 budget request.

Prepared By: Thomas C. Williams
 Division: Enforcement Division

Phone: 465-2366
 Date: January 24, 1986

Approved by Commissioner: Henry A. Stucke
 Agency: Department of Revenue

Date: January 31, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

STATE OF ALASKA 1986 LEGISLATIVE SESSION
FISCAL NOTE

Revision Date: 1/22/86

REQUEST

Bill/Resolution No: SB 359
Title: "An act relating to the disclosure of state tax assessments of the Department of Revenue."
Sponsor: Legislative Budget and Audit
Requestor: _____
Date of Request: 1/23/86

FISCAL DETAIL

Agency Affected: Department of Revenue
BRU: Audit
Components: Audit Administration

EXPENDITURES/REVENUES: (Thousands of Dollars)

	FY 86	FY 87	FY 88	FY 89	FY 90	FY 91
OPERATING						
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	0	0	0	0	0	0
CONTRACTUAL	0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LANDS & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING	0	0	0	0	0	0
CAPITAL	0	0	0	0	0	0
REVENUE	0	0	0	0	0	0

FUNDING: (Thousands of Dollars)

GENERAL FUND	0	0	0	0	0	0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

ANALYSIS: Attach a separate page if necessary

Prepared By: Steven E. Kettel
Division: Audit Division

Phone: 465-2320
Date: 1/23/86

Approved by Commissioner: Mary J. Hurdale
Agency: _____

Date: January 23, 1986

Distribution (by Agency preparing fiscal note):

- Legislative Finance
- Legislative Sponsor
- Requestor
- Office of Management and Budget
- Impacted Agency(ies)

Introduced: 1/22/86
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE LEGISLATIVE
BUDGET AND AUDIT COMMITTEE

1 IN THE SENATE

2 SENATE BILL NO. 359

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the disclosure of state tax
7 assessments of the Department of Revenue."

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

9 * Section 1. LEGISLATIVE FINDINGS. (a) The legislature finds that

10 (1) the natural resources of land owned by the state belong to
11 the citizens of the state;

12 (2) natural resource extraction presently dwarfs all other
13 taxable economic activity in the state;

14 (3) the vast majority of the state's revenue is derived from the
15 extraction of natural resources; and

16 (4) state government provides a wide range of critical services
17 to the citizens of the state to ensure the public health and welfare.

18 (b) The legislature further finds that

19 (1) the citizens of the state must be assured that the state is
20 receiving all of the income to which it is entitled;

21 (2) since the revenue from the extraction of natural resources
22 is derived from only a relatively few taxpayers, the consequences of error
23 in each case are magnified.

24 (3) the legislature must exercise its oversight authority to
25 assure that the administration of revenue collection by the Department of
26 Revenue is conducted efficiently, fairly, promptly and in the best inter-
27 ests of the citizens of the state;

28 (4) there is legitimate and compelling governmental interest for
29 the legislature and the public to have adequate access to information

747

1 regarding the revenue owed to the state from the extraction of natural
2 resources to allow responsible oversight;

3 (5) without sufficient information, the legislature cannot
4 adequately determine that the state's revenue collection functions are
5 properly administered and that revenue due the state is promptly received;
6 and

7 (6) the public interest may best be served if the identity of a
8 corporate taxpayer and the amount assessed against the corporate taxpayer
9 is available at the time of assessment, whether or not the corporate tax-
10 payer agrees that the amount is due and whether or not any amount is delin-
quent.

12 * Sec. 2. LEGISLATIVE PURPOSE. The legislature adopts sec. 3 of this
13 Act in response to concerns identified by the findings in sec. 1 of this
14 Act to ensure that

15 (1) the state is receiving all revenue due the state;

16 (2) oversight of the revenue collecting function is sufficiently
17 provided; and

18 (3) revenue due to the state is available to provide for the
19 public health and welfare of the citizens of the state.

20 * Sec. 3. AS 43.05.230(e) is amended to read:

21 (e) This section does not prohibit [NOTHING IN THIS SECTION
22 PROHIBITS] the publication of statistics [SO] classified as to prevent
23 the identification of particular returns or reports, together with
24 other relevant information that, in the opinion of the department, may
25 assist in the collection of taxes. The assessments made by the de-
26 partment against corporate taxpayers and [OR THE PUBLICATION OF]
27 delinquent lists showing the names of taxpayers who have failed to pay
28 their taxes at the time and in the manner provided by law are public
29 records [, TOGETHER WITH OTHER RELEVANT INFORMATION WHICH IN THE

1 OPINION OF THE DEPARTMENT MAY ASSIST IN THE COLLECTION OF DELINQUENT
2 TAXES].