

SB

185

DATE: 4/16/93

FURTHER: FINANCE

DATE TURNED INTO OFFICE: 4/23/93

JUDICIARY Committee considered SENATE BILL NO. 185

"An Act relating to the limitations period for assessments for certain state taxes, and for collection, after assessment, of taxes due the state; and providing for an effective date."

and recommends:

- replace with _____ CS _____ (_____)
- or adopt previous _____ CS _____ (_____)
- attaches amendment(s)

- same title
- new title
- technical title change (HB only)

adopts _____ Letter of Intent

further referral to the _____

do pass

do not pass

no recommendation

individual recommendations

NEW FISCAL NOTES

Department	Date	Zero	Fiscal
Revenue:	4/13/93		✓

PREVIOUS FISCAL NOTES

Department	Date	Zero	Fiscal

Appropriation No Fiscal Note

DO PASS:

OTHER RECOMMENDATIONS:

Rich Halford NO REC
Gayle Pechon NO REC
Suzanne Tuttle NO REC

Adrian Taylor NO REC
 Chair: Signature and Recommendation

FISCAL NOTE

STATE OF ALASKA
1993 LEGISLATIVE SESSION

BILL NO. SB 185

Revision Date:	Dept. Affected:	Revenue
Title:	BRU:	Revenue Operations
of certain taxes	Component:	Oil & Gas Audit
Sponsor: Senator Taylor		
Requestor: Senate Finance	COMPONENT SERIAL NO.	115

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY94	FY95	FY96	FY97	FY98	FY99
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	**	**	**	**	**	**
CAPITAL						
REVENUE FUND SOURCE:	**	**	**	**	**	**

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	**	**	**	**	**	**

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY93) impact: \$ **

ANALYSIS: (Attach a separate page if necessary)

** SB 185 relates to tax litigation and ongoing tax audit cases. While it is not possible to predict the outcome of these cases, the State believes that its claims will ultimately prevail. However, the courts have decided both ways on such cases and substantial state revenues are involved. Therefore, approval of this legislation will help protect the State's position in these cases and would reduce the risk of a loss of tax revenues.

Prepared by:	John Pilkinton <i>John Pilkinton</i>	Phone: 276-1363 ext. 225
Division:	Oil & Gas Audit Division	Date: 4/13/93
Approved by Commissioner:	Darrel J. Rexwinkel <i>Darrel J. Rexwinkel</i>	Date: 4/13/93
Agency:	Revenue	

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April 9, 1993

SECTIONAL ANALYSIS FOR SB 185(FIN)

Section 1. This section contains proposed legislative findings which set forth the Department of Revenue's interpretation of AS 43.05.260 and of AS 43.05.270. The proposed legislative findings conclude that the department's interpretation is correct and that it is in the public interest that AS 43.05.260 and AS 43.05.270 be clarified to reflect the department's interpretation. This section also sets forth the purpose of SB 185, which is to validate and affirm the department's longstanding administrative interpretation and to resolve inconsistent decisions in the state superior court.

Section 2. This section adds language to AS 43.05.260(a) to clarify that the Department of Revenue may increase or decrease the amount of a tax by issuing or amending an assessment under AS 43.21 or AS 43.55 at any time during the administrative consideration of a taxpayer grievance on an assessment or a claim for credit or refund of a tax.

Section 3. This section adds language to AS 43.05.270(a) to clarify that the six-year limitation on collection of taxes after assessment does not begin to run until the final administrative determination of a grievance if the taxpayer files a grievance from an assessment or the final judicial resolution of an appeal if the taxpayer appeals from a final adjudicative determination of a grievance.