

Leg. Finance - House & Senate Finance Comte Files (1973-74) 8879

HB 13 cont., HB 14, sp session, HB 1, 2, 3, 332

1 an owner of taxable property or a municipality shall be made
2 within 30 days of the effective date of the notice of assessment.

3 Sec. 43.56.120. APPEAL TO THE STATE ASSESSMENT REVIEW BOARD.

4 (a) After a ruling by the department on an appeal made under sec. 110
5 of this chapter, the owner or municipality may further appeal
6 to the board. The appeal must be filed in writing within 50 days
7 of the effective date of the notice of assessment.

8 (b) The board shall provide by regulation for notices of appeals
9 to interested persons and municipalities.

10 Sec. 43.56.130. HEARINGS OF STATE ASSESSMENT REVIEW BOARD. (a)
11 The board shall hear appeals filed under sec. 120(a) of this chapter.

12 (b) A majority of the board constitutes a quorum required to
13 transact business.

14 (c) The board shall provide by regulation for notices of hearings
15 to interested persons and municipalities.

16 (d) If an appellant fails to appear at the hearing, the board
17 may proceed with the hearing in his absence.

18 (e) The appellant bears the burden of proof at the hearing.

19 (f) The only grounds for adjustment of assessed value is proof of
20 unequal, excessive or improper valuation or valuation not determined in
21 accordance with the standards set out in this chapter, based on facts
22 stated in a written appeal timely filed or proved at the hearing.

23 (g) The board shall certify its determinations to the department
24 within seven days of the hearing.

25 (h) The department shall enter the changes and certify the final
26 assessment roll on or before June 1 of each year and by July 1 shall
27 mail to the owner of taxable property or his authorized agent a
28 statement of the amount of tax due.

29 (i) An owner or municipality may appeal to the superior

1 court for, and is entitled to, trial de novo of the board's action.

2 Sec. 43.56.140. SUPPLEMENTARY ASSESSMENT ROLLS. The department
3 shall include property omitted from the assessment roll on a supple-
4 mentary roll, using the procedures set out in this chapter for the
5 original roll.

6 Sec. 43.56.150. COLLECTION AND DEPOSIT. (a) The tax levied by
7 this chapter is payable to the department on or before September 30 of
8 the tax year.

9 (b) The department may provide for voluntary prepayment and for
10 payment by installments.

11 (c) The amount of oil and gas properties production tax paid
12 under AS 43.55.010 during the assessment year may be taken as a credit
13 against the tax due under this chapter.

14 (d) All taxes, interest and penalties collected under this chapter
15 shall be deposited in the general fund.

16 Sec. 43.56.160. INTEREST AND PENALTY. When the tax levied by this
17 chapter becomes delinquent, a penalty of 10 per cent shall be added.
18 Interest on the delinquent taxes, exclusive of penalty, shall be
19 assessed at a rate of eight per cent a year.

20 Sec. 43.56.170. LIEN FOR TAX. The tax levied under this chapter
21 and the interest and penalty provided in sec. 160 of this chapter are
22 first and paramount liens on the property subject to tax under this
23 chapter.

24 Sec. 43.56.180. REMEDY. The remedy of distraint on property
25 set out in AS 43.20.270 applies to the tax levied by this chapter.
26 However, only property subject to the tax may be distrained.

27 Sec. 43.56.190. PENALTIES. A person who knowingly fails to
28 file a return when due or who makes a false statement in a return
29 required under this chapter with intent to evade taxation is guilty of

1 a misdemeanor and upon conviction is punishable by a fine of not more
2 than \$1,000, or by imprisonment for not more than six months, or by
3 both, together with costs of prosecution.

4 Sec. 43.56.200. REGULATIONS. The board and the department may
5 adopt regulations in accordance with AS 44.62 as appropriate to carry
6 out their respective duties under this chapter.

7 Sec. 43.56.210. DEFINITIONS. In this chapter

8 (1) "board" means State Assessment Review Board;

9 (2) "department" means Department of Revenue;

10 (3) "gas" includes all natural gas and all hydrocarbons
11 produced at the wellhead not defined as oil;

12 (4) "taxable property" means proven oil or gas reserves,
13 the ownership of which, or the ownership of the right to extract which,
14 is not exempt from taxation;

15 (5) "unrefined oil" includes crude petroleum oil and other
16 hydrocarbons regardless of gravity which are produced at the wellhead
17 in liquid form and the liquid hydrocarbons known as distillate or
18 condensate recovered or extracted from gas other than gas produced in
19 association with oil and commonly known as casinghead gas.

20 * Sec. 2. This Act takes effect on the day after its passage and approval
21 or on the day it becomes law without approval.

Introduced: 11/6/73
Referred: Finance

1 IN THE HOUSE

BY HUBER

2 HOUSE BILL NO. 13

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act providing for taxes on property used in the
7 exploration for or production of gas or unrefined oil;
8 and providing for an effective date."

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

10 * Section 1. AS 43 is amended by adding a new chapter to read:

11 CHAPTER 56. OIL AND GAS EXPLORATION AND PRODUCTION

12 PROPERTY TAXES.

13 Sec. 43.56.010. LEVY OF TAX. An annual tax of 10 mills is
14 levied each tax year beginning January 1, 1974, on the full and true
15 value of taxable property taxable under this chapter.

16 Sec. 43.56.020. EXEMPTIONS. The following are exempt from the
17 taxes levied or authorized under this chapter:

18 (1) property rights attached to or inherent in the right
19 to explore for or produce oil or gas;

20 (2) producing oil or gas leases or properties which are
21 paying gross production tax under AS 43.55.010 in an amount which
22 exceeds the amount of tax that would be due under this chapter;

23 (3) oil or gas leases, including the ownership of and the
24 right to extract the oil and gas under the lease, for the first five
25 years following the original issuance of the lease, whether producing
26 or not;

27 (4) oil or gas produced or extracted in the state.

28 Sec. 43.56.030. IN PLACE OF ALL OTHER TAXES. Except for those
29 taxes imposed under ch. 55 and ch. 57 of this title, the taxes levied

1 or authorized under this chapter are in place of

2 (1) all ad valorem taxes or other taxes imposed by the
3 state or a municipality on property subject to tax under this chapter
4 or exempted from taxation by sec. 20 of this chapter; and

5 (2) all ad valorem taxes imposed by a municipality on or
6 with respect to oil or gas in place.

7 Sec. 43.56.040. STATE ASSESSMENT REVIEW BOARD. The State Assess-
8 ment Review Board is created within the Department of Revenue. The board
9 consists of five persons appointed by the governor to serve at his
10 pleasure.

11 Sec. 43.56.050. PER DIEM AND EXPENSES. Members of the board shall
12 receive per diem and expenses authorized by law for boards and commissions.

13 Sec. 43.56.060. ASSESSMENT. The department shall assess property
14 for the taxes levied under sec. 10 of this chapter at its full and
15 true value as of January 1 of the assessment year.

16 Sec. 43.56.070. RETURNS. (a) The department may require by
17 notice every person having ownership or control of an interest in
18 property taxable under this chapter to submit a return in the form
19 prescribed by the department, based on property values existing on
20 January 1, except as otherwise provided in this chapter.

21 (b) The department by written notice may require a person to
22 provide additional information within 30 days of the notice.

23 Sec. 43.56.080. INVESTIGATION. (a) The department may make an
24 investigation of property on which a return has been filed or of tax-
25 able property upon which no return has been filed. In either case, the
26 department may make its own valuation of the taxable property, which
27 is prima facie evidence of full and true value.

28 (b) An employee or agent of the department may enter any premise
29 necessary for the investigation during reasonable hours and may examine

1 property and appropriate records. The owner of the taxable property upon
2 request shall furnish to the employee or agent of the department reason-
3 able assistance required for the investigation. If refused entry, the
4 department may seek a court order to compel entry.

5 (c) For the purpose of the investigation the owner of the taxable
6 property or his representative may be required to present himself for
7 examination under oath by the department.

8 Sec. 43.56.090. ASSESSMENT ROLL. The department shall prepare
9 annually the only assessment roll for taxation under this chapter. The
10 roll shall contain:

- 11 (1) a description of all taxable property;
12 (2) the assessed value of all taxable property;
13 (3) the names and addresses of persons owning property sub-
14 ject to assessment and taxation.

15 Sec. 43.56.100. ASSESSMENT NOTICE. (a) On or before March 1 of each
16 year, the department shall send to every owner of taxable property named
17 in the assessment roll a notice of assessment, showing the assessed value
18 of the property. Notice of assessment is effective on the date of mailing.

19 (b) The department shall also send to a municipality a copy of the
20 notice of assessment on any taxable property which is assessed under the
21 provisions of this chapter and which is located in the municipality.

22 Sec. 43.56.110. APPEAL TO THE DEPARTMENT. (a) An owner of taxable prop-
23 erty or a municipality receiving an assessment notice may object to the
24 assessment by advising the department in writing of the objections to the
25 assessment within 20 days of the effective date of the notice.

26 (b) The department shall provide by regulation for notices of
27 appeals to interested persons and municipalities.

28 (c) Following an objection the department may adjust the assessment
29 and the assessment roll. An adjustment based on an objection from

1 an owner of taxable property or a municipality shall be made
2 within 30 days of the effective date of the notice of assessment.

3 Sec. 43.56.120. APPEAL TO THE STATE ASSESSMENT REVIEW BOARD.

4 (a) After a ruling by the department on an appeal made under sec. 110
5 of this chapter, the owner or municipality may further appeal
6 to the board. The appeal must be filed in writing within 50 days
7 of the effective date of the notice of assessment.

8 (b) The board shall provide by regulation for notices of appeals
9 to interested persons and municipalities.

10 Sec. 43.56.130. HEARINGS OF STATE ASSESSMENT REVIEW BOARD. (a)
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12 (b) A majority of the board constitutes a quorum required to
13 transact business.

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15 to interested persons and municipalities.

16 (d) If an appellant fails to appear at the hearing, the board
17 may proceed with the hearing in his absence.

18 (e) The appellant bears the burden of proof at the hearing.

19 (f) The only grounds for adjustment of assessed value is proof of
20 unequal, excessive or improper valuation or valuation not determined in
21 accordance with the standards set out in this chapter, based on facts
22 stated in a written appeal timely filed or proved at the hearing.

23 (g) The board shall certify its determinations to the department
24 within seven days of the hearing.

25 (h) The department shall enter the changes and certify the final
26 assessment roll on or before June 1 of each year and by July 1 shall
27 mail to the owner of taxable property or his authorized agent a
28 statement of the amount of tax due.

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1 court for, and is entitled to, trial de novo of the board's action.

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5 original roll.

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7 this chapter is payable to the department on or before September 30 of
8 the tax year.

9 (b) The department may provide for voluntary prepayment and for
10 payment by installments.

11 (c) The amount of oil and gas properties production tax paid
12 under AS 43.55.010 during the assessment year may be taken as a credit
13 against the tax due under this chapter.

14 (d) All taxes, interest and penalties collected under this chapter
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16 Sec. 43.56.160. INTEREST AND PENALTY. When the tax levied by this
17 chapter becomes delinquent, a penalty of 10 per cent shall be added.
18 Interest on the delinquent taxes, exclusive of penalty, shall be
19 assessed at a rate of eight per cent a year.

20 Sec. 43.56.170. LIEN FOR TAX. The tax levied under this chapter
21 and the interest and penalty provided in sec. 160 of this chapter are
22 first and paramount liens on the property subject to tax under this
23 chapter.

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25 set out in AS 43.20.270 applies to the tax levied by this chapter.
26 However, only property subject to the tax may be distrained.

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28 file a return when due or who makes a false statement in a return
29 required under this chapter with intent to evade taxation is guilty of

1 a misdemeanor and upon conviction is punishable by a fine of not more
2 than \$1,000, or by imprisonment for not more than six months, or by
3 both, together with costs of prosecution.

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11 produced at the wellhead not defined as oil;

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13 the ownership of which, or the ownership of the right to extract which,
14 is not exempt from taxation;

15 (5) "unrefined oil" includes crude petroleum oil and other
16 hydrocarbons regardless of gravity which are produced at the wellhead
17 in liquid form and the liquid hydrocarbons known as distillate or
18 condensate recovered or extracted from gas other than gas produced in
19 association with oil and commonly known as casinghead gas.

20 * Sec. 2. This Act takes effect on the day after its passage and approval
21 or on the day it becomes law without approval.
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ALASKA STATE LEGISLATURE

EIGHTH Legislature SPECIAL Session

HOUSE BILL NO. 13

By HUBER

"An Act providing for taxes on property used in the exploration for or production of gas or unrefined oil; and providing for an effective date."

Introduced in the House Nov. 6, 1973

HISTORY IN THE HOUSE

1973

11 6

Read first time and referred to Committee on FINANCE

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
: Nays
: Absent
: Excused

Effective Date

PASS : Yeas
: Nays
: Absent
: Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
: Nays
: Absent
: Excused

Effective Date

PASS : Yeas
: Nays
: Absent
: Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

Chapter No.



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

4/26/89
Date

COMMITTEE REPORT

November 6, 1973

HOUSE

Mr. Speaker:

Date _____

The Committee on FINANCE has had HOUSE BILL NO. 14

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ recommends:

_____ Chairman

1 IN THE HOUSE

BY HUBER AND M. MILLER

2 HOUSE BILL NO. 14

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 EIGHTH LEGISLATURE - FIRST SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act levying an oil and gas regulation and
7 conservation tax; and providing for an effective date."

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

9 * Section 1. AS 43 is amended by adding a new chapter to read:

10 CHAPTER 57. OIL AND GAS REGULATION AND CONSERVATION TAX.

11 Sec. 43.57.010. OIL AND GAS REGULATION AND CONSERVATION TAX.

12 (a) There is levied upon the producer of oil a tax on each barrel of
13 oil removed or sold from each lease or property in the state, less
14 any part the ownership or right to which is exempt from taxation.

15 The amount of the tax for regulation is to be determined by the
16 annually budgeted amount required to support those operations of the
17 Department of Natural Resources which directly relate to oil and gas
18 resource regulation and protection. The amount of the tax for conser-
19 vation is to be determined by the annually budgeted amount required
20 to support those operations of the Department of Environmental Conser-
21 vation which pertain to oil and gas related environmental conservation.
22 However, the tax may not exceed one-quarter of one cent per barrel
23 for the regulation tax, nor exceed one-quarter of one cent per barrel
24 for the conservation tax. Any excess produced by the tax which is
25 not utilized by the departments for such purposes reverts to the
26 general fund. For the sole purpose of establishing the per barrel
27 tax, the amount budgeted in the subsequent year to the departments
28 for such purposes will be reduced by the amount of excess.

29 (b) The tax is in addition to and shall be administered and

1 paid in the same manner as the taxes imposed by ch. 55 of this title.
2 Producers of oil are required to make reports of production in the
3 same manner and under the same penalties as required by ch. 55 of this
4 title.

5 (c) Proceeds from the tax shall be paid into the general fund.

6 * Sec. 2. This Act takes effect January 1, 1974.
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Introduced: 11/5/73
Referred: Finance

1 IN THE HOUSE

BY HUBER AND M. MILLER

2 HOUSE BILL NO. 14

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 EIGHTH LEGISLATURE - FIRST SPECIAL SESSION
5 A BILL

6 For an Act entitled: "An Act levying an oil and gas regulation and
7 conservation tax; and providing for an effective date."

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

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15 The amount of the tax for regulation is to be determined by the
16 annually budgeted amount required to support those operations of the
17 Department of Natural Resources which directly relate to oil and gas
18 resource regulation and protection. The amount of the tax for conser-
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20 to support those operations of the Department of Environmental Conser-
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22 However, the tax may not exceed one-quarter of one cent per barrel
23 for the regulation tax, nor exceed one-quarter of one cent per barrel
24 for the conservation tax. Any excess produced by the tax which is
25 not utilized by the departments for such purposes reverts to the
26 general fund. For the sole purpose of establishing the per barrel
27 tax, the amount budgeted in the subsequent year to the departments
28 for such purposes will be reduced by the amount of excess.

29 (b) The tax is in addition to and shall be administered and

HB 14

1 paid in the same manner as the taxes imposed by ch. 55 of this title.
2 Producers of oil are required to make reports of production in the
3 same manner and under the same penalties as required by ch. 55 of this
4 title.

5 (c) Proceeds from the tax shall be paid into the general fund.

6 * Sec. 2. This Act takes effect January 1, 1974.
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ALASKA STATE LEGISLATURE

EIGHTH Legislature SPECIAL Session

HOUSE BILL NO. 14

By HUBER & M. MILLER

"An Act levying an oil and gas regulation and conservation tax; and providing for an effective date."

Introduced in the House Nov. 6, 1973

HISTORY IN THE HOUSE

19 73

11 6

Read first time and referred to Committee on FINANCE

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
Nays
Absent
Excused

Effective Date

PASS : Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS : Yeas
Nays
Absent
Excused

Effective Date

PASS : Yeas
Nays
Absent
Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Lt. Governor

Chapter No.



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

4/26/89
Date

"An Act providing emergency financial assistance for oil-development-impacted municipalities; and providing for an effective date."

COMMITTEE REPORT

6/17/74

Special Session

HOUSE

Mr. Speaker:

Date

2nd Spec Sess.

The Committee on FINANCE has had HB 1

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____
COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

_____ Chairman

COMMITTEE REPORT

HOUSE

07/13/74

Mr. Speaker:

Date 7/13/74

The Committee on FINANCE has had CS 1-2

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____
COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

[Signature] _____

[Signature] _____

Members NOT concurring in the Majority report:

_____ recommends:

Chairman

Introduced: 6/17/74
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 EIGHTH LEGISLATURE - SECOND SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act providing emergency financial assistance for
7 oil-development-impacted municipalities; and providing
8 for an effective date."

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

10 * Section 1. DECLARATION OF PURPOSE. It is the intention of the
11 legislature to provide temporary emergency financial assistance to munic-
12 ipalities for the purpose of meeting certain extraordinary operating expen-
13 ditures resulting from oil-development construction. It is the further
14 intention of the legislature that the state respond promptly to the oil-
15 development related impact needs of municipalities.

16 * Sec. 2. DISCRETIONARY GRANTS. (a) The department may make grants
17 to an oil-development-impacted municipality demonstrating

18 (1) an annual population growth rate in excess of its average
19 annual population growth rate for the period July 1, 1970, through July 1,
20 1973;

21 (2) extraordinary municipal operating expenditures beyond its
22 capability to reasonably meet from growth in receipts from current muni-
23 cipal revenue sources.

24 (b) Grants made under this section may be expended only for
25 municipal operating expenditures.

26 (c) Grants may be made under this section to a municipality receiving
27 a direct pipeline impact grant under ch. 147 SLA 1974, only after the
28 municipality certifies as to the use or intended use of its direct pipe-
29 line impact grant and only if after application of that grant a further

1 grant is considered necessary by the department.

2 (d) Grants made under this section may not be used directly or
3 indirectly to reduce current municipal tax rates.

4 * Sec. 3. APPLICATIONS. (a) Grants under this Act may be made only
5 upon application by the municipality to the department. Each grant appli-
6 cation shall state the intended use for which the grant will be expended.

7 (b) The department may not approve an application for a grant under
8 this Act after June 30, 1975.

9 * Sec. 4. ACCOUNTABILITY FOR GRANTS. (a) A municipality receiving a
10 direct pipeline impact grant under ch. 147, SLA 1974 shall submit a
11 financial report covering the expenditure of the direct pipeline impact
12 grant before a grant may be received under this Act.

13 (b) A municipality shall submit a financial report covering the
14 expenditure of any grant already received under this Act to the department
15 before another grant may be received under this Act.

16 (c) A municipality receiving grants under this Act shall

17 (1) maintain a separate account for the grants received under
18 this Act;

19 (2) provide for an annual independent audit of the separate
20 account for grants received under this Act; and

21 (3) submit a copy of the independent audit report to the
22 department.

23 * Sec. 5. POPULATION. A municipality shall submit estimated population
24 and population growth figures to the department. These population and
25 population growth figures are subject to review and approval by the
26 department. The decisions of the department as to population and popula-
27 tion growth figures are final.

28 * Sec. 6. AUTHORITY TO ACCEPT SERVICES, GIFTS, GRANTS, AND LOANS. When
29 the federal government or an agency or officer of the federal government

1 offers services, equipment, supplies, materials, or funds by way of gift,
2 grant, or loan, to the state or a municipality for the purpose of alle-
3 viating the social or economic impact resulting from oil development con-
4 struction, the state acting through the commissioner of community and
5 regional affairs, or the municipality acting through its executive officer
6 or governing body, may accept the offer.

7 * Sec. 7. REGULATIONS. The department may adopt regulations necessary
8 to carry out the purposes of this Act.

9 * Sec. 8. DEFINITIONS. In this Act

10 (1) "department" means the Department of Community and Regional
11 Affairs;

12 (2) "municipality" means a home rule or general law city or
13 borough, including a unified municipality established under AS 29.68;

14 (3) "operating expenditures" means personal services, contractual
15 services, travel, commodities, and up to \$20,000 per item of equipment,
16 except that the term does not include any of these items if part of a
17 capital improvement expenditure.

18 * Sec. 9. This Act takes effect on the day after its passage and
19 approval or on the day it becomes law without approval.
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1481

June 17, 1974

The Honorable Tom Fink
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99801

Dear Mr. Speaker:

Pursuant to the Uniform Rules of the Legislature,
I am transmitting a bill making special appropriations
for financial assistance to oil-development-impacted
municipalities and for extraordinary state services.

Sincerely,

William A. Egan
Governor

LAW:WAE:LL:jah

POOR COPY

ALASKA STATE LEGISLATURE

EIGHTH Legislature 2d SPECIAL Session

HOUSE BILL NO. 1

By THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

"An Act providing emergency financial assistance for oil-development-impacted municipalities; and providing for an effective date."

Oil dev. impacted municipalities

Introduced in the House 6/17/74, 19

HISTORY IN THE HOUSE

19 74	Read first time and referred to Committee on
Jun 17	Finance
	Reported back with recommendation that
	Read second time and
	Read third time and
	PASS Yeas : Nays : Absent : Excused
	Effective Date
	PASS Yeas : Nays : Absent : Excused
	Reported correctly engrossed Signed by Speaker Sent to Senate
CHIEF CLERK OF THE HOUSE	

HISTORY IN THE SENATE

19	Read first time and referred to Committee on
	Reported back with recommendation that
	Read second time and
	Read third time and
	PASS Yeas : Nays : Absent : Excused
	Effective Date
	PASS Yeas : Nays : Absent : Excused
	Reported correctly engrossed Signed by President Returned to House
SECRETARY OF THE SENATE	

HISTORY IN THE HOUSE

19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
 By Governor
	Filed with Secy. State Lt. Gov.
	Chapter No.

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 EIGHTH LEGISLATURE - SECOND SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act providing emergency financial assistance for
7 oil-development-impacted municipalities; and providing
8 for an effective date."

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

10 * Section 1. DECLARATION OF PURPOSE. It is the intention of the
11 legislature to provide temporary emergency financial assistance to munic-
12 ipalities for the purpose of meeting certain extraordinary operating expen-
13 ditures resulting from oil-development construction. It is the further
14 intention of the legislature that the state respond promptly to the oil-
15 development related impact needs of municipalities.

16 * Sec. 2. DISCRETIONARY GRANTS. (a) The department may make grants
17 to an oil-development-impacted municipality demonstrating

18 (1) an annual population growth rate in excess of its average
19 annual population growth rate for the period July 1, 1970, through July 1,
20 1973;

21 (2) extraordinary municipal operating expenditures beyond its
22 capability to reasonably meet from growth in receipts from current muni-
23 cipal revenue sources.

24 (b) Grants made under this section may be expended only for
25 municipal operating expenditures.

26 (c) Grants may be made under this section to a municipality receiving
27 a direct pipeline impact grant under ch. 147 SLA 1974, only after the
28 municipality certifies as to the use or intended use of its direct pipe-
29 line impact grant and only if after application of that grant a further

1 grant is considered necessary by the department.

2 (d) Grants made under this section may not be used directly or
3 indirectly to reduce current municipal tax rates.

4 * Sec. 3. APPLICATIONS. (a) Grants under this Act may be made only
5 upon application by the municipality to the department. Each grant appli-
6 cation shall state the intended use for which the grant will be expended.

7 (b) The department may not approve an application for a grant under
8 this Act after June 30, 1975.

9 * Sec. 4. ACCOUNTABILITY FOR GRANTS. (a) A municipality receiving a
10 direct pipeline impact grant under ch. 147, SLA 1974 shall submit a
11 financial report covering the expenditure of the direct pipeline impact
12 grant before a grant may be received under this Act.

13 (b) A municipality shall submit a financial report covering the
14 expenditure of any grant already received under this Act to the department
15 before another grant may be received under this Act.

16 (c) A municipality receiving grants under this Act shall

17 (1) maintain a separate account for the grants received under
18 this Act;

19 (2) provide for an annual independent audit of the separate
20 account for grants received under this Act; and

21 (3) submit a copy of the independent audit report to the
22 department.

23 * Sec. 5. POPULATION. A municipality shall submit estimated population
24 and population growth figures to the department. These population and
25 population growth figures are subject to review and approval by the
26 department. The decisions of the department as to population and popula-
27 tion growth figures are final.

28 * Sec. 6. AUTHORITY TO ACCEPT SERVICES, GIFTS, GRANTS, AND LOANS. When
29 the federal government or an agency or officer of the federal government

1 offers services, equipment, supplies, materials, or funds by way of gift,
2 grant, or loan, to the state or a municipality for the purpose of alle-
3 viating the social or economic impact resulting from oil development con-
4 struction, the state acting through the commissioner of community and
5 regional affairs, or the municipality acting through its executive officer
6 or governing body, may accept the offer.

7 * Sec. 7. REGULATIONS. The department may adopt regulations necessary
8 to carry out the purposes of this Act.

9 * Sec. 8. DEFINITIONS. In this Act

10 (1) "department" means the Department of Community and Regional
11 Affairs;

12 (2) "municipality" means a home rule or general law city or
13 borough, including a unified municipality established under AS 29.68;

14 (3) "operating expenditures" means personal services, contractual
15 services, travel, commodities, and up to \$20,000 per item of equipment,
16 except that the term does not include any of these items if part of a
17 capital improvement expenditure.

18 * Sec. 9. This Act takes effect on the day after its passage and
19 approval or on the day it becomes law without approval.
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1 IN THE HOUSE

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CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

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1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 1

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 EIGHTH LEGISLATURE - SECOND SPECIAL SESSION

5 A BILL

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RECORDS CERTIFICATION

I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

4/26/89
Date

"An Act making special appropriations for financial assistance to oil-development-impacted municipalities and for extraordinary state services; and providing for an effective date."

COMMITTEE REPORT

6/17/74

HOUSE

Special Session

Mr. Speaker:

Date

23rd Sp. Sess.

The Committee on FINANCE has had HB 2

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

Chairman

an Act making special appropriations for financial assistance to oil-development-impacted municipalities and for extraordinary state services; and providing for an effective date."

COMMITTEE REPORT

5/19/70

HOUSE

Mr. Speaker:

Date 6-19-74

The Committee on FINANCE has had CSRB 3

under consideration. A Majority of the members of the Committee

recommends it DO PASS

recommends it DO NOT PASS

recommends it DO PASS WITH ATTACHED AMENDMENT(S)

recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS

"and" recommends it BE REFERRED TO THE _____
COMMITTEE

reports it back WITHOUT RECOMMENDATION

"other"

Members signing the Majority report:

_____	_____	_____
<i>W. A. ...</i>	<i>...</i>	<i>...</i>
_____	_____	_____
<i>...</i>	<i>...</i>	<i>...</i>
_____	_____	_____

Members NOT concurring in the Majority report:

<i>...</i>	recommends: <i>Do Pass</i>
_____	recommends:
_____	recommends:
_____	recommends:
<i>...</i>	recommends: <i>Do Pass</i>

Chairman

Introduced: 6/17/74
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 2

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 EIGHTH LEGISLATURE - SECOND SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations for financial
7 assistance to oil-development-impacted municipalities
8 and for extraordinary state services; and providing
9 for an effective date."

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

11 * Section 1. The sum of \$10,000,000 is appropriated from the general
12 fund to the Department of Community and Regional Affairs for grants to
13 assist oil-development-impacted municipalities.

14 * Sec. 2. The sum of \$75,000 is appropriated from the general fund to
15 the Department of Community and Regional Affairs for administration of
16 grants to assist oil-development-impacted municipalities.

17 * Sec. 3. The sum of \$2,000,000 is appropriated from the general fund
18 to the Office of the Governor to be allocated by the governor to state
19 agencies for state services resulting from oil-development-impact in that
20 part of the unorganized borough along the route of the trans-Alaska
21 pipeline.

22 * Sec. 4. The unexpended and unobligated balances of appropriations made
23 by this Act lapse into the general fund on June 30, 1975.

24 * Sec. 5. This Act takes effect on the day after its passage and
25 approval or on the day it becomes law without approval.
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N-B 2

June 17, 1974

The Honorable Tom Fink
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99801

Dear Mr. Speaker:

Pursuant to the Uniform Rules of the Legislature, I am transmitting a bill to provide emergency financial assistance for oil-development-impacted municipalities. This bill is patterned to a large extent after HCSCSSB 382 which I was compelled to veto because of the serious defects of that legislation. Those defective portions have been eliminated in the bill I am transmitting.

The financial assistance program established in the bill before you is a discretionary grant program to oil-development-impacted municipalities to be administered by the Department of Community and Regional Affairs. Initial eligibility for these discretionary grants will be determined by two standards. The first standard requires an oil-development-impacted municipality to demonstrate an annual population growth rate in excess of its average annual population growth rate for a three-year period. The second standard requires that the oil-development-impacted municipality demonstrate it has operating expenditures of an extraordinary nature that are beyond its capability to reasonably meet from its present revenue sources.

As was provided in HCSCSSB 382, municipalities receiving direct pipeline impact grants under the general appropriations act of 1975 are required as further conditions to eligibility to certify the use or intended use of those grants, and only if after application of those grants a further grant is considered necessary will the municipality receive any State monies under this discretionary grant program.

The Honorable Tom Fink

- 2 -

June 17, 1974

Safeguards added to this bill are a requirement that these discretionary grants may not be used to reduce current municipal tax rates and a requirement of municipal accountability for grants received under this Act before another grant may be received under the Act.

The amount of financial assistance requested for this program of discretionary grants in a separate appropriation measure accompanying this bill is \$10,000,000.

Sincerely,

William A. Egan
Governor

LAW:WAE:LL:jah

POOR COPY

ALASKA STATE LEGISLATURE

EIGHTH Legislature 2d SPECIAL Session

HOUSE BILL NO. 2

By THE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

"An Act making special appropriations for financial assistance to oil-development-impacted municipalities and for extraordinary state services; and providing for an effective date."

Appropriation Oil dev. impacted municipalities

Introduced in the House 6/17/74, 19 74

HISTORY IN THE HOUSE

19 74

Jun 17

Read first time and referred to Committee on

Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS Yeas Nays : Absent Excused

Effective Date

PASS Yeas Nays : Absent Excused

Reported correctly engrossed Signed by Speaker Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

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PASS Yeas Nays : Absent Excused

Effective Date

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Reported correctly engrossed Signed by President Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19

Received from Senate

Reported correctly enrolled

Sent to Governor

By Governor

Filed with Secy. State Lt. Gov.

Chapter No.

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REQUEST OF THE GOVERNOR

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For an Act entitled: "An Act making special appropriations for financial assistance to oil-development-impacted municipalities and for extraordinary state services; and providing for an effective date."

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

* Section 1. The sum of \$10,000,000 is appropriated from the general fund to the Department of Community and Regional Affairs for grants to assist oil-development-impacted municipalities.

* Sec. 2. The sum of \$75,000 is appropriated from the general fund to the Department of Community and Regional Affairs for administration of grants to assist oil-development-impacted municipalities.

* Sec. 3. The sum of \$2,000,000 is appropriated from the general fund to the Office of the Governor to be allocated by the governor to state agencies for state services resulting from oil-development-impact in that part of the unorganized borough along the route of the trans-Alaska pipeline.

* Sec. 4. The unexpended and unobligated balances of appropriations made by this Act lapse into the general fund on June 30, 1975.

* Sec. 5. This Act takes effect on the day after its passage and approval or on the day it becomes law without approval.



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

4/26/89
Date

"An Act making a special appropriations to carry out the provisions of ch. 76 S.A. 1974, and providing for an effective date."

6/19/74

COMMITTEE REPORT

HOUSE

Mr. Speaker:

Date 6-19-74

The Committee on Finance has had CS 34-3

under consideration. A Majority of the members of the Committee

- recommends it DO PASS
- recommends it DO NOT PASS
- recommends it DO PASS WITH ATTACHED AMENDMENT(S)
- recommends it BE REPLACED WITH CS FOR _____ AND THAT
CS FOR _____ DO PASS
- "and" recommends it BE REFERRED TO THE _____
COMMITTEE
- reports it back WITHOUT RECOMMENDATION
- "other"

Members signing the Majority report:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Members NOT concurring in the Majority report:

_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:
_____	recommends:

_____ Chairman

A M E N D M E N T

OFFERED IN THE HOUSE:

By: _____

To: _____ HOUSE BILL No. _____

SENATE BILL No. _____

PAGE: _____

LINE: _____

PRINTED BY THE HOUSE OF REPRESENTATIVES AND SENATE, BOSTON

"An Act making special appropriations to carry out the provisions of ch. 76 SLA 1974; and providing for an effective date."

6/17/74

COMMITTEE REPORT

HOUSE

Mr. Speaker:

Date 21st Sep. 1974

The Committee on FINANCE has had HB NO. 3

under consideration. A Majority of the members of the Committee

() recommends it DO PASS

() recommends it DO NOT PASS

() recommends it DO PASS WITH ATTACHED AMENDMENT(S)

() recommends it BE REPLACED WITH CS FOR _____ AND THAT

CS FOR _____ DO PASS

() "and" recommends it BE REFERRED TO THE _____

COMMITTEE

() reports it back WITHOUT RECOMMENDATION

() "other"

Members signing the Majority report:

Members NOT concurring in the Majority report:

_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:
_____ recommends:

_____ Chairman

1 IN THE HOUSE

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

2

HOUSE BILL NO. 3

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

EIGHTH LEGISLATURE - SECOND SPECIAL SESSION

5

A BILL

6

For an Act entitled: "An Act making special appropriations to carry out
7 the provisions of ch. 76 SLA 1974; and providing
8 for an effective date."

9

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

10

* Section 1. The sum of \$352,000 is appropriated from the general fund
11 to the Alaska Election Campaign Commission created by ch. 76 SLA 1974 in
12 the office of the lieutenant governor (AS 15.13).

13

* Sec. 2. The sum of \$174,500 is appropriated from the general fund
14 to the Office of the Governor for the use of the lieutenant governor in
15 publishing the candidate pamphlet required by the provisions of ch. 76
16 SLA 1974 (AS 15.57).

17

* Sec. 3. The unexpended and unencumbered balances of appropriations
18 made by this Act lapse into the general fund on June 30, 1975.

19

* Sec. 4. This Act takes effect on the day after its passage and
20 approval or on the day it becomes law without approval.

21

22

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28

29

Introduced: 6/17/74
Referred: Finance

BY THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

1 IN THE HOUSE

2 HOUSE BILL NO. 3

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 EIGHTH LEGISLATURE - SECOND SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act making special appropriations to carry out
7 the provisions of ch. 76 SLA 1974; and providing
8 for an effective date."

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

10 * Section 1. The sum of \$352,000 is appropriated from the general fund
11 to the Alaska Election Campaign Commission created by ch. 76 SLA 1974 in
12 the office of the lieutenant governor (AS 15.13).

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14 to the Office of the Governor for the use of the lieutenant governor in
15 publishing the candidate pamphlet required by the provisions of ch. 76
16 SLA 1974 (AS 15.57).

17 * Sec. 3. The unexpended and unencumbered balances of appropriations
18 made by this Act lapse into the general fund on June 30, 1975.

19 * Sec. 4. This Act takes effect on the day after its passage and
20 approval or on the day it becomes law without approval.

1183
June 17, 1974

The Honorable Tom Fink
Speaker of the House
Alaska State Legislature
Juneau, Alaska 99801

Dear Mr. Speaker:

Pursuant to the Uniform Rules of the Legislature, I am transmitting a bill appropriating a total of \$526,500 to administer the campaign reform legislation enacted during the last regular session (ch. 76, SLA 1974).

As you are aware, no money was included in the general appropriation bill for 1974-75 to carry out the provisions of this vital legislation.

Of the amount appropriated, \$352,000 is for the administrative expenses of the Alaska Election Campaign Commission created by ch. 76, SLA 1974 (AS 15.13). The remaining \$174,500 is for printing and mailing the candidate pamphlet required by the Act (AS 15.57).

Sincerely,

William A. Egan
Governor

LAW:WAE:LL:jah

POOR COPY

ALASKA STATE LEGISLATURE

EIGHTH Legislature 2d SPECIAL Session

HOUSE BILL NO. 3

By THE RULES COMMITTEE BY
REQUEST OF THE GOVERNOR

"An Act making special appropriations to carry out the provisions of ch. 76 SLA 1974; and providing for an effective date."

Ch. 76 SLA 1974, Appropriations

Introduced in the House 6/17, 19 74

HISTORY IN THE HOUSE

19 74	Read first time and referred to Committee on
Jun 17	Finance
	Reported back with recommendation that
	Read second time and
	Read third time and
	PASS Yeas : Nays : Absent : Excused
	Effective Date PASS Yeas : Nays : Absent : Excused
	Reported correctly engrossed Signed by Speaker Sent to Senate
	CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on
	Reported back with recommendation that
	Read second time and
	Read third time and
	PASS Yeas : Nays : Absent : Excused
	Effective Date PASS Yeas : Nays : Absent : Excused
	Reported correctly engrossed Signed by President Returned to House
	SECRETARY OF THE SENATE

HISTORY IN THE HOUSE


19	Received from Senate
	Reported correctly enrolled
	Sent to Governor
 By Governor
	Filed with Secy. State Lt. Gov.
	Chapter No.

STATE
of ALASKA

MEMORANDUM

TO: Jay Hogan, Director
Legislative Finance
Pouch WF
Juneau, Alaska

DATE : June 17, 1974

FROM: Ralph Kimlinger 
Deputy Commissioner
Department of Revenue

SUBJECT: HCS CSSB 388 (Jud) am H
Chapter 76

Passage of the campaign disclosure legislation, late in the past session, did not allow this office time to prepare a fiscal note indicating the costs involved or the losses which will occur to the general fund.

Attached are fiscal notes alternatives 1 and 2 as prepared by Fred Boetsch Director, Audit Division.

RK:eh

Attachments

NOTE: THE MAJOR COSTS OF HOUSE AND SENATE BILL NO. 3 ARE DETAILED IN THE BUDGET SUBMISSIONS CONTAINED IN THE PALE BLUE DEPARTMENT OF ADMINISTRATION BINDERS.

The Legislature of the State of Alaska
FISCAL NOTE

Second Special Session - Eighth Legislature

I. REQUEST

Bill Identification: HCS CSSB 388 (Judiciary) am H
 Title: Election Campaigns
 Requested by: Craft et al Date: March 28, 1974
 Return Date Requested: _____
 Agency: Revenue Program: Individual and Business Taxes

ALTERNATIVE 1

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Individual and business taxes

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES	5.3	5.6	5.8	6.1	6.4	6.8
200 TRAVEL						
300 CONTRACTUAL	1.0	1.1	1.1	1.2	1.2	1.3
400 COMMODITIES						
500 EQUIPMENT	.6					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	6.9	6.7	6.9	7.3	7.6	8.1

B. FUNDING: (Thousands of dollars)

GENERAL FUND	6.9	6.7	6.9	7.3	7.6	8.1
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	1/	1/	1/	1/	1/	1/
MAN MONTHS (P./T.)	0/	0/	6/	6/	6/	6/

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

See attached memorandum dated June 14, 1974 from Fred Boetsch, Director of Audit, to Ralph Kimlinger, Deputy Commissioner of Revenue.

IV. ATTACHMENTS

V. DATE: _____ PREPARED BY: _____
 Deputy Commissioner

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

The Legislature of the State of Alaska
FISCAL NOTE
Second Special Session - Eighth Legislature

I. REQUEST

Bill Identification: HCS CSSB 388 (Judiciary) am H
 Title: Election Campaigns
 Requested by: Craft et al Date: March 28, 1974
 Return Date Requested: _____
 Agency: Revenue Program: Individual and Business Taxes

ALTERNATIVE 2

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Individual and business taxes

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES	5.3	5.6	5.8	6.1	6.3	6.8
200 TRAVEL						
300 CONTRACTUAL	11.0	6.8	7.2	7.5	7.9	8.3
400 COMMODITIES						
500 EQUIPMENT	.6					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	16.9	12.4	13.0	13.6	14.3	15.1

B. FUNDING: (Thousands of dollars)

GENERAL FUND	16.9	12.4	13.0	13.6	14.3	15.1
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	1 /	1 /	1 /	1 /	1 /	1 /
MAN MONTHS (P./T.)	6 /	6 /	6 /	6 /	6 /	6 /

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

See attached memorandum dated June 14, 1974 from Fred Boetsch, Director of Audit, to Ralph Kimlinger, Deputy Commissioner of Revenue.

IV. ATTACHMENTS

V. DATE: _____ PREPARED BY: _____
 Deputy Commissioner

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

MEMORANDUM

State of Alaska

TO: Ralph Kimlinger, Deputy Commissioner
Department of Revenue

DATE: June 14, 1974

FILE NO:

TELEPHONE NO:

FROM: Fred Boetsch, Director
Audit Division

SUBJECT: HCS CSSB 388 (Judiciary) am H

You requested a fiscal note on the revenue effect of this bill which passed during the last legislative session and will be considered again during the upcoming Special Session. In addition, you have requested that an estimate be made of the loss the General Fund might sustain during FY 75 as the result of the tax credit provided for in Sec. 3 of the bill.

I have attached two fiscal notes labeled "Alternative 1" and "Alternative 2" which describe the costs related to preparing the list of contributors required under Sec. 4 of the bill. Under the first alternative we would merely require that the taxpayer attach a form to his return in order to qualify for the credit on the return. The form itself would have all of the information required in Sec. 4 of the bill. After a review to determine that the credit was properly taken, that form would then be removed from the return and placed in a box to be delivered to the Commission at a later date for their use. Under the second assumption, other than just providing the Commission with a box full of these forms, we would go a step further and have the information on the forms key punched and run through a computer program to prepare a listing by taxpayer or by candidate or political group of the contributions given. Such a program could also provide for dollars by candidate or political group if that were deemed desirable by the Commission. In both cases funds are required for a Tax Scanner and for printing the forms. The main difference between the two alternatives is that the second alternative provides for about \$10,000 in Contractual Services funds for the purpose of providing programming, computer time, and key punching effort in order to prepare the list on a computer print out. After 1975, only the key-punch and computer costs would apply.

The estimate of the anticipated losses to the General Fund through the application of the credit in Sec. 3 is more complicated due to the unavailability of data regarding the number of potential taxpayers who might take advantage of this credit. The credit works in a way that is probably unique in taxation since it provides for a direct credit against the Alaska tax liability and while it is limited in dollar amount, it does not require that only a percentage of the contribution be taken as a credit. In addition, of course, the Federal Government also allows for a credit or deduction. Therefore, it is conceivable that a man and wife could give \$100 to their favorite candidate or political organization. That hundred dollars would then qualify for a direct credit on the Alaska tax return, which would mean that they would be refunded dollar for dollar from the General Fund for the expenditure. At that point they, of course, have broken even. There would also be the possibility of taking that same expenditure to qualify for a credit of \$25 on the Federal tax return. Under these circumstances they will have

Ralph Kimlinger
Deputy Commissioner

-2-

June 14, 1974

made a profit of \$25 or 25%. If they are in high tax brackets and avail themselves of the deduction opportunity then the profitability could be even higher. I think that this circumstance will soon become evident to the public and will encourage people to contribute to campaign funds. After all, who could resist the opportunity to make a guaranteed 25% on his money? For this reason we have estimated a fairly high proportion of contributions to campaign funds during the forthcoming year--probably higher than would ordinarily be the case without such a unique credit provision. I have, accordingly, estimated that about 30,000 joint return filers, or the equivalent combination of single and joint filers, would qualify for the credit. At \$100 per return on an average would make the loss to the Treasury about \$3 million for FY 75. Thirty thousand taxpayers availing themselves of this credit, however, represents less than 25% of the population filing returns and it is conceivable, given the circumstances outlined above where this is a profitable operation, that many more taxpayers will take advantage of it.

I will, of course, be available to discuss this with the legislature at their convenience.

FPB:mbc

Attachments

STATE
of ALASKA

MEMORANDUM

TO: Jay Hogan, Director
Legislative Finance
Pouch WF
Juneau, Alaska

DATE : June 17, 1974

FROM: Ralph Kimlinger
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SUBJECT: HCS CSSB 388 (Jud) am H
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Attachments

NOTE: THE MAJOR COSTS OF HOUSE AND SENATE BILL No. 3 ARE DETAILED IN THE BUDGET SUBMISSIONS CONTAINED IN THE PALE BLUE DEPARTMENT OF ADMINISTRATION BINDERS.

The Legislature of the State of Alaska
FISCAL NOTE

Second Special Session - Eighth Legislature

I. REQUEST

Bill Identification: HCS CSSB 388 (Judiciary) am H
 Title: Election Campaigns
 Requested by: Craft et al Date: March 28, 1974
 Return Date Requested: _____
 Agency: Revenue Program: Individual and Business Taxes

ALTERNATIVE 1

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Individual and business taxes

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES	5.3	5.6	5.8	6.1	6.4	6.8
200 TRAVEL						
300 CONTRACTUAL	1.0	1.1	1.1	1.2	1.2	1.3
400 COMMODITIES						
500 EQUIPMENT	.6					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	6.9	6.7	6.9	7.3	7.6	8.1

B. FUNDING: (Thousands of dollars)

GENERAL FUND	6.9	6.7	6.9	7.3	7.6	8.1
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	1/	1/	1/	1/	1/	1/
MAN MONTHS (P./T.)	6/	6/	6/	6/	6/	6/

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

See attached memorandum dated June 14, 1974 from Fred Boetsch, Director of Audit, to Ralph Kimlinger, Deputy Commissioner of Revenue.

IV. ATTACHMENTS

V. DATE: _____ PREPARED BY: _____
 Deputy Commissioner

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

The Legislature of the State of Alaska
FISCAL NOTE
Second Special Session - Eighth Legislature

I. REQUEST

Bill Identification: HCS CSSB 388 (Judiciary) am H
 Title: Election Campaigns
 Requested by: Craft et al Date: March 28, 1974
 Return Date Requested: _____
 Agency: Revenue Program: Individual and Business Taxes

ALTERNATIVE 2

II. FISCAL DETAIL

Budget Request Unit(s) Affected: Individual and business taxes

A. EXPENDITURES: (Thousands of dollars)

OBJECT	FY 74	FY 75	FY 76	FY 77	FY 78	FY 79
100 PERSONAL SERVICES	5.3	5.6	5.8	6.1	6.4	6.8
200 TRAVEL						
300 CONTRACTUAL	11.0	6.8	7.2	7.5	7.9	8.3
400 COMMODITIES						
500 EQUIPMENT	.6					
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	16.9	12.4	13.0	13.6	14.3	15.1

B. FUNDING: (Thousands of dollars)

GENERAL FUND	16.9	12.4	13.0	13.6	14.3	15.1
FEDERAL FUNDS						
OTHER						

C. POSITIONS:

PERMANENT/TEMPORARY	1 /	1 /	1 /	1 /	1 /	1 /
MAN MONTHS (P./T.)	6 /	6 /	6 /	5 /	6 /	6 /

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See attached memorandum dated June 14, 1974 from Fred Boetsch, Director of Audit, to Ralph Kimlinger, Deputy Commissioner of Revenue.

IV. ATTACHMENTS

V. DATE: _____ PREPARED BY: _____
 Deputy Commissioner

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

MEMORANDUM

State of Alaska

TO: Ralph Kimlinger, Deputy Commissioner
Department of Revenue

DATE: June 14, 1974

FILE NO:

TELEPHONE NO:

FROM: Fred Boetsch, Director
Audit Division

SUBJECT: HCS CSSB 388 (Judiciary) am H

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Ralph Kimlinger
Deputy Commissioner

-2-

June 14, 1974

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I will, of course, be available to discuss this with the legislature at their convenience.

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Attachments