

Section 19. The delegates shall receive a per diem of twenty dollars for each day in attendance at, including time spent going to and returning from, the convention; and they shall be reimbursed for their actual travel costs incurred in attending upon their duties as delegates. In addition they shall receive for their services the sum of fifteen dollars per day as compensation for each day's attendance while the convention is in session.

Section 20. There is hereby appropriated the sum of \$300,000, or so much thereof as may be necessary, for defraying the expenses of the elections provided for herein

and the expenses of the convention, including compensation of the delegates, and for all other purposes of this Act. The disbursements for all costs attributable to the elections of delegates to the convention, not to exceed \$60,000, shall be made upon vouchers certified by the Governor of Alaska. All other disbursements of moneys appropriated hereunder shall be made upon vouchers certified by the president of the convention.

Section 21. This Act shall be in effect on and after its passage and approval, or upon its becoming law without such approval.

Approved March 19, 1955

CHAPTER 47

AN ACT

Relating to financing roads, airfields, and water and harbor facilities; increasing the motor fuel tax; setting rates for motor fuel and aviation fuel; providing refunds for taxes paid on non-highway use fuels; amending Subsection (a) of Sec. 48-5-1, ACLA, 1949, as amended by Ch. 56 Session Laws of Alaska 1949; amending Sec. 48-5-2, ACLA, 1949, as amended by Sec. 1 of Ch. 80, SLA, 1951; amending Sec. 1 of Ch. 84, SLA 1949; repealing subsection 4 of Sec. 14 A. of Ch. 123, SLA, 1949; and setting an effective date.

(C. S. for H. B. 13)

Be it Enacted by the Legislature of the Territory of Alaska:

Section 1. Section 48-5-2, Alaska Compiled Laws Annotated, 1949, as

amended by Section 1 of Chapter 80, Session Laws of Alaska, 1951, is hereby amended to read as follows:

Sec. 48-5-2. Tax levy on transfers or consumption of motor fuel: Deposit and expenditure of monies collected: Collection at time of sale: Remission to Tax Commissioner: Statement. (a)

There is hereby levied a tax of five (5c) cents per gallon on all motor fuel sold and delivered, or otherwise transferred, within the Territory of Alaska; except that the tax on aviation fuel shall be three (3c) cents per gallon.

(b) There is hereby levied a tax of five (5c) cents per gallon on all motor fuel consumed by any user as above set forth; except that the tax on aviation fuel consumed shall be three cents per gallon.

(c) Every dealer or any other person, firm or corporation not usually engaged in the business of selling motor fuel, who makes a sale or sales of motor fuel in Alaska shall collect the tax herein levied at the time of sale, and remit the total tax collected during each calendar quarter of each year to the Tax Commissioner between the first and twentieth days of the ensuing January, April, July and October, as the case may be; and every user as above defined shall likewise remit the tax accrued on motor fuel actually used by him during each quarter, and at the time such

remittances are made, each dealer or user as herein defined, shall submit a statement to the Tax Commissioner showing all motor fuel which he has distributed or used, as the case may be, during the immediately preceding quarter.

(d) In the case of any failure to make and file a return and remit the tax within the time prescribed by law or prescribed by the Tax Commissioner in pursuance of law, unless such failure is due to reasonable cause and not due to wilful neglect, there shall be added to the tax: 5 percent if the failure is for not more than 30 days, with an additional 5 percent for each additional 30 days or fraction thereof during which such failure continues, not exceeding 25 percent in the aggregate. The amount so added to any tax shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the neglect, in which case the amount so added should be collected in the same manner as the tax; provided, that in all cases of delinquency the legal rate of interest shall be assessed.

(e) The monies herein collected from the taxes on aviation fuel shall be covered into the Aeronautical Revolving Fund created by Section 14 A. of Chapter 123, Session Laws of Alaska, 1949, to be used for the purposes and pro-

visions of said Chapter 123.

(f) The monies herein collected from the taxes on motor fuel used in boats and watercraft of all descriptions shall be covered into a special fund in the Territorial Treasury to be known as the "Water and Harbor Facilities Fund", and shall be expended by the Highway Engineer as nearly as practicable in the Division where collected, and be expended for water and harbor facilities.

(g) The monies herein collected from the taxes on all motor fuels, except the fuels named in subsections (e) and (f) of this section, shall be covered into a special fund in the Territorial Treasury to be known as the "Highway Fund", and shall be expended by the Highway Engineer as nearly as practicable in the Division where collected giving due consideration to the need therefor, and be expended for public roads, highways, trails, bridges, and ferries and approaches and appurtenances thereto, including the acquisition of necessary rights-of-way by purchase or otherwise. It shall be the policy of all departments of the Territorial government authorized to expend funds collected from taxes imposed by this Act, to perform, whenever feasible, all construction and/or reconstruction projects by contract after such projects have been duly advertised for competitive bids except as to advantageous arrangements with

the Alaska Road Commission or political subdivisions and except in cases of emergency.

(h) As often as may be practicable, but at least once each quarter year, the Tax Commissioner shall deposit the receipts from aviation, boat, and other motor fuels in the proper funds, less the estimated amounts of refunds which have or may become due. Amounts estimated to become due as refunds shall be covered into a special fund in the Territorial Treasury to be known as the "Motor Fuel Tax Refund Fund", and shall be disbursed in payment of such refunds.

(i) Within thirty days after convening of the Legislature the Director of the Department of Aviation and the Highway Engineer shall submit biennial budgets covering anticipated revenues and their expenditure, for the consideration and approval by the Legislature in regular session assembled. These budgets shall cover all monies collected or anticipated to be collected under the provisions of this Act for the biennium next succeeding the adjournment of each regular session of the Legislature.

Section 2. Refund for Nonhighway Use of Fuel. Any person who uses motor fuel, except aviation fuel, for the purpose of operating any internal combustion engine not used in nor in conjunction with any motor vehicle licensed to be oper-

ated over or along any of the public highways, roads, trails, and streets, and as the motive power thereof, upon which the motor fuel tax has been paid, shall be entitled to and shall receive a refund of three (3c) cents per gallon, provided that the entire tax levied by this Act shall be refunded to the purchaser on that portion of all motor fuel used in a foreign country on which duty is paid when such motor fuel is sold and delivered in Alaska for non-highway use in a foreign country. The Tax Commissioner shall establish the necessary regulations and prescribe appropriate forms to prove the carriage to, and the use of, such motor fuel in foreign countries.

Section 3. Any person desiring to claim a refund shall obtain an annual permit from the Tax Commissioner by application therefor on such form as the Commissioner shall prescribe, which application shall contain, among other things, the name, address, and occupation of the applicant, the nature of the business and a sufficient description for identification of the machines or equipment in which the motor fuel is to be used, for which refund may be claimed under the permit. At the time of filing an application for the annual refund permit, the applicant shall pay to the Tax Commissioner an annual permit fee of fifty (50c) cents. Such permit shall be obtained before or at the time that the first application for refund is made under the provisions of this Act. All permits

shall expire on the last day of the fiscal year following the date of their issue.

Section 4. Any person claiming a refund as provided in this Act shall present to the Tax Commissioner a claim by affidavit upon forms to be provided by the Tax Commissioner with such information as such Commissioner shall require, which claim shall be accompanied by the invoice or invoices issued to the claimant at the time, of the purchase of the motor fuel. The Tax Commissioner may require such additional information as he may deem necessary for the administration of this Act. All claims for refunds shall be filed within one year from the date of use and failure to file within such one year period shall be deemed to be waiver of any right to such refund. Date of filing shall be determined to be the date on which such claim is deposited in any U. S. Postoffice, if claim is made by mail, or the date of presentation at the office of Tax Commissioner or branch office of the Department of Taxation if claim is presented by the claimant personally.

Section 5. In order to determine the validity of any claims for refunds the Tax Commissioner may examine the books and records of any claimant and the books and records of any distributor of motor fuel. If any invoice or invoices relied upon for refund claims are found to be fraudulent the claimant shall be guilty of a misde-

meanor, punishable by a fine of not to exceed Five Hundred (\$500) Dollars. The Tax Commissioner may cancel the refund permit of the claimant relying upon fraudulent invoice or invoices for a period of not to exceed one year.

Section 6. The Tax Commissioner may require the issuance of separate invoices for fuel sold, distributed, or otherwise transferred when such invoices will be the basis for a refund claim.

Section 7. Upon approval of any refund claim by the Tax Commissioner the Auditor shall draw a warrant on the Motor Fuel Tax Refund Fund in favor of the applicant upon the Treasurer in the amount of the claim less fifty (50c) cents for handling charges, provided that the fee so withheld shall be deposited in the General Fund of the Territory.

Section 8. Section 1 of Chapter 84, Session Laws of Alaska, 1949, is amended so as to read as follows:

Sec. 1. The separate fund composed of fees obtained from issuance of vehicle operator's licenses maintained by the Treasurer under the provisions of Section 50-3-7, Alaska Compiled Laws Annotated 1949, is hereby abolished and all balances now remaining in said fund are hereby transferred to the Highway Fund, subject to expenditure by

the Highway Engineer for public roads, highways, trails, bridges, and ferries and approaches and appurtenances thereto; and all fees hereafter collected for vehicle operator's licenses shall go into said Highway Fund.

Section 9. Subsection (a) of Section 48-5-1, Alaska Compiled Laws Annotated, 1949, as amended by Chapter 56 SLA 1949, is hereby amended to read as follows:

Sec. 48-5-1. (a) "Motor Fuel" means any and all fuel used in engines for the propulsion of motor vehicles, aircraft, boats and watercraft of all descriptions, and in all stationary engines, machines or mechanical contrivances which are propelled by internal combustion motors; except on consignments of motor fuel oil to foreign countries and except fuel used in stationery power plants operating as public utility plants and generating electrical energy for sale to the general public or by non-profit power associations or corporations for generating electric energy for resale or by charitable institutions.

Section 10. Subsection 4 of Section 14 A. of Chapter 123, Session Laws of Alaska, 1949, is hereby repealed.

Section 11. This Act shall take effect and be in force from and after July 1, 1955.