

and Chapter 55 SLA 1953; and establishing an effective date.

(S. B. 95)

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

Section 1. Section 37-2-5 ACLA 1949 as previously amended by Chapter 34 SLA 1951 and Chapter 55 SLA 1953, is hereby amended to read as follows:

**Sec. 37-2-5. Meetings of Board
and Notice Thereof: Quorum:**

Voting: Regular meetings of the Board of Education shall be held each year. One such meeting shall be held at the Capital during regular sessions of the Territorial Legislature. The other regular meeting in each biennium shall be held at such time and place in the Territory as may be designated by the Board; provided, that special meetings shall be called by the Commissioner of Education at the written request of a majority of the members of the Board, or may be called by the Governor on his own initiative, at such places in the Terri-

tory as may be designated in the call for the special meeting. Written or telegraphic notice of all regular and special meetings of the Board of Education shall be given to each member thereof at his last known address at least fifteen (15) days prior to the date of such meeting. The regular meetings of the Board shall last not to exceed fifteen (15) days, and a special meeting shall last not to exceed five (5) days. Three (3) members shall constitute a quorum but a less number may adjourn from day to day for a period not exceeding ten (10) days; provided, however, that no action may be taken or resolution or motion adopted by the Board unless at least three (3) affirmative votes are in favor thereof.

Section 2. This Act shall take effect upon its passage and approval according to law.

Approved March 23, 1955

CHAPTER 71

AN ACT

**Establishing a procedure to insure the collection of all Territorial taxes
and license fees from nonresident corporations, firms, partnerships,**

associations, joint ventures, persons and all other nonresident business entities who sever or take any resources or transact or do any business in Alaska; requiring a statement to be filed with the Tax Commissioner; requiring posting of a tax bond under certain conditions; appointing the Auditor as agent for service of process; prescribing penalties; and declaring an emergency.

(S. B. 105)

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

Section 1. Intent.

With respect to the collection of taxes from nonresident corporations, firms, partnerships, associations, joint ventures, persons and all other nonresident business entities who sever or take any resources from, or transact or do business in Alaska, the Legislature recognizes these facts:

(a) That the overwhelming majority of such nonresidents have no security or property physically located in Alaska against which the Territory can proceed to enforce the payment of Territorial taxes and license fees;

(b) that such nonresidents leave Alaska for varying periods, thereby making the recovery of Territorial taxes and license fees difficult, if not impossible;

(c) that by reason of such departures from Alaska it is impossible to obtain personal service upon such non-residents in any proceeding instituted for the recovery of Territorial taxes and license fees.

Therefore, in order to establish

a procedure to insure the collection of any and all Territorial taxes and license fees from such nonresidents who sever or take any resources from, or transact or do business in Alaska, the Legislature deems it necessary that all such nonresidents, as a condition precedent thereto, must:

(1) File a sworn statement with the Tax Commissioner as hereafter provided, and

(2) post a tax liability bond, if required, as hereafter provided, Provided further that the bond need not be posted if the estimated tax or taxes as set forth in the statement required in Section 2 hereof, are paid in advance, and

(3) appoint the Auditor as their statutory agent for the service of legal process.

Section 2. Filing Statement and Tax Bond with Tax Commissioner.

Every nonresident corporation, firm, partnership, association, joint venture, person and other business entity shall, as a condition precedent to the act of severing or taking any resources from, or transacting

or doing business in Alaska, file, on or before June first of each year, commencing June 1, 1955, a sworn statement in affidavit form with the Tax Commissioner setting forth, among other things, the following information: name and address of the taxpayer and, in case of a corporation, the name and address of each officer; estimated gross business receipts for the current tax year or, in those instances where resources will be severed or taken from Alaska, the estimated fair market value thereof at the time of the severance or taking; total estimated payroll in Alaska for the current tax year; total estimated taxes and license fees of any and all kind that will be owing the Territory for the current tax year; whether the taxpayer owns any real property in Alaska on which such taxes may become a first lien, and if so, a description of said property and the fair market value of the taxpayer's interest therein. If the said value of the taxpayer's interest in such real estate is not equal to twice the amount of the estimated tax and license fees for which such taxpayer will be liable to the Territory, the taxpayer shall file with the Tax Commissioner a bond or other security approved by the Attorney General of Alaska in a sum equal to twice the estimated amount of such taxes and license fees, but in no event shall said bond be less than One Thousand (\$1,000.00) Dollars. Provided, however, that the bond requirement may be waived, in whole or in part, if the taxpayer shows in writ-

ing to the satisfaction of the Attorney General that the amount of the bond would be an undue hardship.

Section 3. Auditor as Agent for Service of Process.

Every nonresident corporation, firm, partnership, association, joint venture, person and other business entity, shall, as a condition precedent to severing or taking any resources or transacting or doing business in Alaska, file with the Auditor of Alaska a duly executed and notarized instrument, constituting the Auditor and his successors in office the true and lawful attorney, upon whom all original process may be served in any action or legal proceeding resulting from the taxpayer's failure or neglect to pay any Territorial taxes or license fees, and therein shall agree that any original process against such nonresident taxpayer shall be of the same force and effect as if personally served on such nonresident taxpayer within Alaska. The service of such process shall be made by leaving a copy with the Auditor. In the event legal action is instituted against such a nonresident taxpayer, the Auditor shall forthwith notify such nonresident by sending a copy of said process by registered letter to the post office address stated in the affidavit on file with the Tax Commissioner.

In case such a nonresident taxpayer has engaged in severing or taking any resources or transacting or doing business in Alaska, and

shall have failed to comply with the above condition precedent of appointing the Auditor as agent for service of process, service may nevertheless be made upon the Auditor, who shall then transmit a copy of said process by registered mail to the last known address of the taxpayer, and such service shall be held in all courts within the Territory to be binding to the same force and effect as if personally served on such nonresident taxpayer within Alaska.

Section 4. Proceedings Against Bond.

In the event a bond or other security is filed, any judgment recovered by the Territory against a nonresident taxpayer for delinquent taxes, license fees, penalties or interest may be satisfied in whole or in part by appropriate action against the bond or other security. Provided, however, that

nothing herein shall prevent the Territory from pursuing any other remedy for the collection of delinquent taxes or license fees.

Section 5. Penalties.

Any person, or officer of any nonresident corporation, firm, partnership, association, joint venture, or other business entity who shall fail or neglect to comply with any of the provisions of this act shall be punished by a fine not to exceed \$1,000.00 or imprisonment not to exceed one year, or both such fine and imprisonment. Any fines or penalties imposed hereunder resulting from prosecution by the Attorney General of Alaska shall be covered into the General Fund.

Section 6. Emergency.

An emergency is hereby declared to exist and this act shall take effect immediately upon its passage and approval.

Approved March 23, 1955

CHAPTER 72

AN ACT

To amend Section 35-4-33 ACLA 1949, as amended by Chapter 70, Session Laws of Alaska 1951, relating to surety bonds for payment of intoxicating liquor, malt beverage and wine taxes.

(S. B. 109)

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

Section 1. Section 35-4-33 ACLA 1949, as amended by Chapter 70,