

School Districts. Villages incorporated hereunder shall not be constituted school districts except upon election as provided for the incorporation of school districts for areas outside incorporated areas as prescribed in Sec. 37-3-32, ACLA 1949, as amended by Ch. 51, SLA 1951, as further amended by Senate Bill No. 33, SLA 1957; provided, however, that in the event such villages or any part thereof shall at the time of its incorporation be within a school district, this section shall not apply, nor shall this section be construed as preventing a village, or any part thereof, from being incorporated as, or into, a school district.

Sec. 9. Incorporation Manual. The Alaska Rural Development Board, with the aid and advice of the Attorney General of Alaska, shall prepare a mimeographed manual of instruction for the incorporation of villages.

Sec. 10. Transition to an Incorporated

City. An incorporated village may at any time initiate proceedings under Territorial law to incorporate as a municipality. Any valid order entered thereafter creating an incorporated municipality, in accordance with law, shall simultaneously dissolve the incorporated village; provided, however, that full protection shall be afforded all creditors of the incorporated village.

Sec. 11. Dissolution of an Incorporated Village. The dissolution of any incorporated village shall be in substantially the manner provided for the dissolution of municipalities under Ch. 35, SLA 1955; provided, however, that judicial jurisdiction herein shall be exclusively vested in the U. S. Commissioner for the precinct wherein said village is located.

Sec. 12. The U. S. Commissioner as used herein shall mean United States Commissioners acting as ex-officio Justices of the Peace for the Territory of Alaska.

Approved April 1, 1957

CHAPTER 151

AN ACT

Pertaining to the consumer's sales tax, amending Sub-section Ninth (b) of Section 16-1-35, ACLA, 1949 as amended by Chapter 38, SLA 1949 and Chapter 121, SLA 1953, and validating exemptions heretofore granted.

(S. C. S. for H. B. 178)

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

Section 1. That Sub-section Ninth (b) of Section 16-1-35, ACLA 1949 as amended by Chapter 38, SLA 1949, and Chapter 121, SLA 1953 is hereby amended to read as follows:

Ninth: (b) **Consumer's Sales Tax.** To levy and collect a consumer's sales tax not exceeding three percentum of the sales price on all retail sales, rents and services, made within the municipality; provided, that the

consent of the qualified voters of the municipality is first obtained through a referendum vote at a general or special election, upon ballots which clearly present the proposition as to whether such sales tax shall be authorized within the municipality. The ballot shall also set forth whether the tax is to be levied for general revenue for the municipality or for a special purpose, and, if for a special purpose, same shall be specified on the ballot. If a majority of the votes cast in said referendum are in the affirmative, the council may thereafter enact such a tax in the nature of a levy upon buyers but with imposition upon sellers of the obligation of collecting same at the time of sale or at time of collection with respect to credit transactions, and transmit same to the municipality. No such sales tax proposition shall be presented to the voters more than

once in any twelve months. The sole purpose of this sub-section is to enable cities, with the consent of the residents thereof, to impose sales taxes, and that although such method of taxation be established within a city, the council may, at any time abandon same. It is also the intent that if consent to such tax be obtained for a special purpose, the proceeds of the tax may not be used for any other purpose unless with consent of the voters at another referendum. Provided, however, that any municipality may provide by ordinance for exemption from the tax levied hereunder if not otherwise expressly prohibited by law.

Section 2. Any exemption heretofore granted by any municipality within the Territory of Alaska, pursuant to an ordinance, is hereby validated, ratified and confirmed.

Approved April 1, 1957

CHAPTER 152

AN ACT

Creating the Alaska Highway and Public Works Department; establishing the Alaska Highway and Public Works Board and defining its powers and duties; establishing the office of Commissioner of the Alaska Highway and Public Works Department and defining his powers and duties; abolishing the office of the Territorial Highway Engineer; establishing policies and procedures for the construction of highways and public works; authorizing certain expenditures and loans; assenting to certain Federal Acts; declaring certain acts misdemeanors and providing for the punishment thereof; amending Secs. 10-2-1, 11-1-6, 11-5-7, 14-2-3, 14-2-4, 40-10-1, 50-1-1, 50-1-6, ACLA 1949; amending Ch. 52, SLA 1953, Ch. 86, SLA 1953, Ch. 144, SLA 1953 as amended by Ch. 8, SLA 1955 and Ch. 152, SLA 1955, and amending Ch. 20, SLA 1955, Ch. 40, SLA 1955, Sec. 48-5-2 (f), (g) and (i) as amended by Ch. 47, SLA 1955, Ch. 162, SLA 1955, Ch. 174, SLA 1955, Ch. 180, SLA 1955; amending Sec. 50-1-4 (e), ACLA 1949, as amended by Ch. 152, SLA 1955; repealing Secs. 41-2-2, 41-2-3, 41-3-1, 41-3-2, 41-3-3, ACLA 1949; re-