

dependency credits claimed shall be allowed only in that proportion of the total exemptions and credits as the number of months said taxpayer is physically present in Alaska bears to 12 months. A fractional part of the month shall be disregarded unless it amounts to more than one-half of a month in which case it shall be considered as a month.

(b) 1. Deductions claimed shall be allowed only if and to the extent that they are directly connected with:

- a. income which arises from sources within Alaska; or
- b. property having a situs

for taxation within Alaska.

2. Contributions or gifts claimed shall be allowed only:

- a. in the amounts other-authorized by this Act; and
- b. if such contributions or gifts were made within the tax year to Alaska or any political subdivision thereof for use exclusively for public purposes within Alaska, or to a non-profit corporation or association formed and/or located within Alaska.

Sec. 2. This Act shall take immediate effect upon its passage and approval, and shall apply retroactively from January 1, 1957 and thereafter.

Approved April 6, 1957

## CHAPTER 182

### AN ACT

Relating to the annual and sick leave of Territorial officers and employees; amending Section 11-5-6, ACLA 1949; and declaring an emergency.

(H. B. 209)

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

Section 1. Section 11-5-6, ACLA 1949 is hereby amended to read as follows:

Section 11-5-6. **Leaves of Absence.** (a) Annual Leave. Territorial officers and employees shall be entitled to two and one-half (2½) working days annual leave of absence with pay for each month of service. Such leave may be taken by an officer or em-

ployee at any time business permits, and, in the case of an employee, upon permission by the head of the department, office or agency for which such person works, and if such leave is not used in full during any one year, it shall accumulate, provided that the total accumulation shall not exceed sixty working days, provided, further, however, that any Territorial employee earning compensatory leave time as a result of working in excess of regular

hours of employment pursuant to Chapter 88, SLA 1955, may accumulate, and have credit for, said earned compensatory leave time in excess of 60 working days. Terminal pay for unused leave, including earned compensatory leave, shall be allowed as a lump-sum upon separation from service. Such lump-sum payment shall equal the compensation that such officer or employee would have received had he remained in the service until the expiration of the period of such annual leave. If such officer or employee is reemployed in the Territorial service prior to the expiration of the period covered by such leave payment, he or she shall refund to the employing agency an amount equal to the compensation covering the period between the date of reemployment and the expiration of such leave period. The leave represented by any such refund shall be re-credited to such officer or employee in the employing agency in an amount equal to the amount represented by the refund. Any amounts so refunded shall be deposited in the Territorial Treasury to the credit of the appropriation established for the payment of terminal leave. The lump-sum payment herein authorized shall not be regarded as salary or compensation except for purposes of taxation. (b) Minimum Length of Service. Notwithstanding the provisions of subsection (a) of this Section, an officer or employee shall be entitled to annual leave under this Section only after having been employed currently for a continuous period of ninety days under one or more appointments without break in service. In any case in which an officer or employee completes a

period of continuous employment of ninety days there shall be credited to him or her an amount of annual leave, including earned compensatory leave, equal to the amount which, but for this subsection, would have accrued to him or her under subsection (a) of this Section during such period. (c) Sick Leave. Cumulative sick leave with pay, at the rate of one and one-quarter ( $1\frac{1}{4}$ ) days per month, shall be credited to all Territorial employees, the total accumulation not to exceed sixty days. No department, office or agency head shall grant sick leave with pay unless he is satisfied that the absent employee was actually sick, and, if the absence exceeds three consecutive working days, a doctor's certificate showing such disability shall be required; provided, however, that absences resulting from illness or injury compensable under the Territorial Workmen's Compensation Act shall not be covered by sick leave with pay except under said Compensation Act. Further provided that when some member of an officer's or employee's family is afflicted with a contagious disease requiring the care and attendance of such officer or employee, or where such officer's or employee's presence in the office would jeopardize the health of fellow employees and either of such contingencies is supported by a doctor's certificate, such officer or employee may avail himself of sick leave with pay, within the limits prescribed by this Act, the same as if he or she were personally ill. Upon his separation from Territorial service, an officer's or employee's unused sick leave shall be automatically cancelled without pay therefor. (d) Leave Re-

cords. Every department, office, institution or agency shall keep for its files a complete annual, earned compensatory and sick leave record, covering each of its employees, on forms prepared and supplied by the Director of Finance. (e) Transfers. When an officer or employee terminates employment with one department, office, institution or agency of the Territory and is employed by another department, office, institution or agency of the Territory without break in service to the Territory his accumulated annual, earned compensatory and sick leave shall transfer with said officer or employee and be credited to him in the employing de-

partment, office, institution or agency. (f) Exemptions. School employees under the jurisdiction of the Territorial Board of Education shall be exempted from the provisions of this Section. The annual and sick leave of such employees shall be as established by the rules and regulations of the Territorial Board of Education. (g) Regulations. The Director of Finance shall issue regulations for the uniform application of this Section.

Sec. 2. An emergency is hereby declared to exist and this Act shall be in full force and effect from and after the date of its passage and approval.

Approved April 6, 1957

## CHAPTER 183

### AN ACT

Relating to annexation and exclusion of areas by municipalities; and repealing Sec. 16-1-21, ACLA 1949, Sec. 16-1-22, ACLA 1949, as amended by Ch. 7, SLA 1951, and Ch. 25, SLA 1953; Sec. 16-1-23, ACLA 1949; Sec. 16-1-24, ACLA 1949, as amended by Ch. 7, SLA 1951; Ch. 25, SLA 1953 and Ch. 149, SLA 1955; Secs. 16-1-25 through 16-1-27, ACLA 1949; and Sec. 16-1-28, ACLA 1949, as amended by Ch. 25, SLA 1953.

(S. C. S. for H. B. 176)

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

Section 1. **Short Title.** This Act shall be referred to as "The Annexation Act of 1957."

Sec. 2. **Definitions:** As used in this Act the terms defined herein shall have the meanings provided, unless context clearly requires otherwise:

(1) "Alaska" means the Territory

of Alaska or in the event of Statehood the State of Alaska.

(2) "Annexing City" means the city seeking to annex or annexing an area of lands contiguous to the city.

(3) "Area" means any lands, not heretofore incorporated as a city, lying contiguous to any annexing city, including such lands separated from any annexing city by water or by tide or shore lands.