

## CHAPTER 111

## AN ACT

**Relating to inheritance and transfer taxes; repealing and re-enacting Subsec. (1), Sec. 48-4-5, ACLA 1949 as amended by Ch. 119, SLA 1953; repealing Subsec. (6), Sec. 48-4-5, ACLA 1949 as amended by Ch. 119, SLA 1953; and amending Sec. 48-4-11, ACLA 1949.**

(C.S.H.B. 296)

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

Section 1. Subsec. (1), Sec. 48-4-5, ACLA 1949 as amended by Sec. 1, Ch. 119, SLA 1953 is repealed and re-enacted to read as follows:

(1) All property, bequests, legacies, devises, or transfers (including the interest which falls into or attaches to any such property, bequest, legacy, devise, or transfer as a result of an irrevocable disclaimer of the said property, bequest, legacy, devise, transfer, or power, if the disclaimer is made before the date prescribed for the filing of the inheritance or transfer tax return)

(a) to or for the use of the State of Alaska, or any borough in Alaska, of any municipality in Alaska, of the University of Alaska, or of any other public academy or college;

(b) to or for the use of any corporation or association organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual, and no substantial part of the activities of which is carrying on propaganda, or otherwise attempting, to influence legislation;

(c) to a trustee or trustees, or a fraternal society, order, or association operating under the lodge system, but only if such contributions or gifts are to be used by such trustee or trustees or by such fraternal society, order, or association, exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of

cruelty to children or animals, and no substantial part of the activities of such trustee or trustees, or of such fraternal society, order, or association, is carrying on propaganda, or otherwise attempting, to influence legislation; or

(d) to or for the use of any veterans' organization incorporated by Act of Congress or the State of Alaska, or of its departments or local chapters or posts, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

For purposes of this subsection, the complete termination before the date prescribed for the filing of the inheritance or transfer tax return of a power to consume, invade, or appropriate property for the benefit of an individual before such power has been exercised by reason of the death of such individual or for any other reason shall be considered and deemed to be an irrevocable disclaimer with the same full force and effect as though he had filed such irrevocable disclaimer.

Sec. 2. Sec. 48-4-11, ACLA 1949 is amended to read as follows:

**Sec. 48-4-11. Determination of Net Value of Estate: Deductions.** The value of the property of any estate for purposes of inheritance taxation under this Act, and the value of the estate on which such taxes shall be calculated, shall be the appraised value of the property of the estate as of the date of the death of the decedent, as made originally by the appraisers appointed and acting in ordinary course of administration, or as determined by the superior court upon re-appraisal as herein provided, or by the supreme court upon an appeal, less: (a) the costs and expenses of administration; (b) all claims against the estate finally

allowed and approved and ordered to be paid; and (c) all taxes due from or payable out of the estate save and except inheritance taxes due to the State of Alaska under the provisions of this Act. The amount of the deduction under this section for any transfer shall

not exceed the value of the transferred property required to be included in the gross estate.

Sec. 3. Subsec. (6), Sec. 48-4-5, ACLA 1949 as amended by Ch. 119, SLA 1953 is repealed.

Approved April 12, 1960

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## CHAPTER 112

### AN ACT

**Authorizing the incorporation of small business investment companies; and providing for an effective date.**

(H.B. 408)

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

Section 1. Corporations to provide small business investments through participation in the Federal Small Business Investment Act of 1958, 72 Stat., 689, 15 U.S.C., Sec. 661 et seq. are authorized to be created under and subject to the general corporation laws of the state, Ch. 126, SLA 1957, except:

(1) The number of incorporators shall be not less than five.

(2) The number of directors shall be not less than five.

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

Approved April 12, 1960

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## CHAPTER 113

### AN ACT

**Relating to loans made by foreign banks and other similar lending institutions.**

(H.B. 417)

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

Section 1. As used in this Act:

(1) "state" means any state in the United States, the District of Columbia, Guam, the Commonwealth of Puerto Rico and Virgin Islands;

(2) "foreign bank" means a bank, trust company, savings bank, industrial bank, building and loan association, savings and loan association, credit union or other similar lending organization the principal office of which is in another state, whether incorporated or unincorporated and whether acting in its individual capacity or in a fiduciary capacity, but does not include small loan companies

of the general character covered by the Alaska Small Loans Act.

Sec. 2. A foreign bank which does not maintain a place of business in this state for the receipt of deposits and which complies with the provisions of this Act does not by engaging in this state in any or all of the activities specified in the following section violate the laws of this state relating to doing business or doing a banking business or become subject to any taxation which would otherwise be imposed for doing business or doing a banking business in this state.

Sec. 3. a. The activities referred to in the preceding section are:

(1) making loans;