

the amount of tax revenue collected from within such municipality or district from taxes levied by Ch. 97, SLA 1949, as last amended by Ch. 102, SLA 1955, and Ch.

82, SLA 1949, as last amended by Ch. 113, SLA 1951.

Sec. 7. This Act takes effect on January 1, 1962.

Became law without signature April 19, 1962

CHAPTER 156

AN ACT

Relating to employee contributions and refunds payable under the Alaska Employment Security Act; and providing for an effective date.

(S.B. 218)

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

Section 1. Subsec. (b), Sec. 501, Art. V, Ch. 5, ESLA 1955, as amended by Sec. 16, Ch. 169, SLA 1957, and Sec. 7, Ch. 60, SLA 1960, is amended to read:

(b) Contributions with respect to wages paid on or after January 1, 1955, for employment shall accrue and become payable by each individual who performs service in employment for each calendar year in which such services are subject to this Act.

The contributions required from each such individual, in accordance with regulations prescribed by the commissioner, shall become payable, be deducted from his wages by his employer, and be held in trust by the employer for the commissioner until such time as such employee contributions are required by regulation to be deposited with the commissioner. Such funds shall not be subject to garnishment or attachment in any fashion, and in the event of lien, judgment, or bankruptcy proceedings, shall not be considered as assets of the employer. Any employer who shall fail to make such deductions from the wages of his employees shall himself be liable to the commissioner for the payment of such required contributions, which shall be collected from him in the same manner as is provided for the collection of employer contributions.

If any employer shall convert to his own use or otherwise misappropriate any funds so held in trust, he shall be required to pay to the commissioner for

deposit in the clearing account the amount so converted or misappropriated, together with a penalty equal to five times that amount but not less than \$25. In addition, if such conversion or misappropriation is willful, he shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$200, or imprisoned for not more than 60 days, or both.

Each employer shall maintain a record of the amount so deducted from the wages of each of his employees, and shall furnish a statement of such deductions to each employee at such times and in such manner as the commissioner shall prescribe by regulation. No such deduction shall be made from those wages in excess of the first \$7,200 of wages paid to an employee during any calendar year. In the event that an employee earns wages totaling in excess of \$7,200 in one calendar year in the employ of two or more employers, or in the event that any one employer through error shall have made such deductions from his wages in excess of \$7,200 during any one calendar year, the amount of such deductions in excess of those required by this Act shall be refunded to the employee by the commissioner upon application therefor in accordance with regulations prescribed by him, provided that such application is made during the calendar year immediately following the calendar year in which such deductions were made.

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 19, 1962