



# LAWS OF ALASKA

1976

Source

CSHB 211 (Finance) am S

Chapter No.

166

## AN ACT

Relating to the administration of state tax and revenue laws; and providing for an effective date.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

\* Section 1. AS 43.05 is amended by adding a new section to read:

Sec. 43.05.025. AUDIT AGENTS. The commissioner of revenue may employ agents outside the state to assist in the audit of books and records located outside the state. Agents employed under this section are subject to the restrictions of sec. 230 of this chapter.

\* Sec. 2. AS 43.05 is amended by adding new sections to read:

#### ARTICLE 3. MISCELLANEOUS PROVISIONS.

Sec. 43.05.220. CIVIL PENALTY. Five per cent shall be added to a tax for each 30-day period or fraction of the period during which the taxpayer fails to file a return or report, or pay the full amount of the tax, or a portion or a deficiency of the tax, as finally determined by the department and required by this title, unless it is shown that the failure is due to a reasonable cause and not to wilful neglect. The penalty shall not exceed 25 per cent in the aggregate. The penalty shall be collected at the same time, in the same manner and as a part of the original tax; but if the original tax is paid before the neglect is discovered, the penalty shall be collected in the same manner as the original tax. The department shall prescribe by regulation circumstances which constitute reasonable cause for purposes of this section.

Sec. 43.05.225. INTEREST ON TAXES. Unless otherwise provided, when a tax levied in this title becomes delinquent it bears interest at the rate of eight per cent a year.

Sec. 43.05.230. DISCLOSURE OF TAX RETURNS AND REPORTS.

(a) Except in connection with official investigations or proceedings of the department, whether judicial or administrative, involving taxes due under this title, and except as otherwise provided in this section, it is unlawful for an officer, employee or agent of the state to divulge the amount of income or the particulars set out or disclosed in a report or return made under this title.

(b) The department, upon written request, shall furnish to the taxpayer a copy of his tax return upon payment of a fee of \$1 per page.

(c) The department may permit the proper officer of the United States or of a state, territory or possession of the United States or of the Dominion of Canada or of a province or territory of Canada, or his authorized representative, to inspect tax returns or reports filed with the department, or may furnish to the officer or representative a copy of the tax return, if the other jurisdiction grants substantially similar privileges to the department or its representative or to counsel for the state; and if the department determines that the other jurisdiction provides adequate safeguards for the confidentiality of the returns and reports, and that the returns and reports will be used for tax purposes only. The department may also permit the employment security division of the Alaska Department of Labor to inspect tax returns or reports filed with the department or may furnish a copy of the tax returns for tax purposes only.

(d) The commissioner of revenue at his discretion may furnish to the Multistate Tax Commission or other authorized agent information contained in the tax returns, reports, related schedules and documents filed under an audit or investigation of a multistate business made by the department. This information may be furnished for tax purposes only. The Multistate Tax Commission or other authorized agent may make the information available to the tax officials of other states, the District of Columbia, the United States and its territories for tax purposes only.

(e) Nothing in this section prohibits the publication of statistics so classified as to prevent the identification of particular returns or reports or the publication of delinquent lists showing the names of taxpayers who have failed to pay their taxes at the time and in the manner provided by law, together with other relevant information which in the opinion of the department may assist in the collection of delinquent taxes.

(f) A wilful violation of the provisions of this section is punishable by a fine of not more than \$5,000, or by imprisonment for not more than two years, or by both.

Sec. 43.05.240. TAXPAYER REMEDIES. (a) A person aggrieved by the action of the department in fixing the amount of a tax or in imposing a penalty may apply to the department within 60 days from the date of mailing the notice required to be given to him by the department, giving notice of the grievance, and requesting an informal conference. At the conference the person aggrieved may present arguments and evidence relevant to the amount of tax or

penalty due the state. If the department determines that a correction is warranted, the department shall make the correction.

(b) A person aggrieved by the action of the department in fixing the amount of a tax or in imposing a penalty may apply to the department and request a formal hearing

(1) in place of the informal conference provided for in (a) of this section, within 60 days from the date of mailing the notice required to be given to him by the department; or

(2) within 30 days after decision resulting from an informal conference.

(c) At the formal hearing the department may subpoena witnesses and may administer oaths and make inquiries necessary to determine the amount of the tax or penalty due the state. The person aggrieved may present arguments and evidence relevant to the amount of the tax or penalty due the state. If the department determines that a correction is warranted, the department shall make the correction.

(d) Within 30 days after the formal hearing and decision by the department, a person aggrieved by the decision of the department may appeal to the superior court in the judicial district in which he resides. The taxpayer shall be given access to the file of the department in the matter for preparation of his appeal. If after the appeal is heard it appears that the tax was correct, the court shall confirm the tax. If incorrect, the court shall determine the amount of the tax and if the person aggrieved is entitled to recover the tax or part of it, the court shall order the repayment and the department shall immediately pay the amount due and attach a certified copy of the judgment to the payment.

Sec. 43.05.250. PAYMENT OF TAXES. (a) If a tax is required under this title to be paid on or before a certain date, the date fixed is the last day for the payment.

(b) In addition to money, the department may receive bank drafts, checks, cashiers checks or money orders for the payment of taxes under regulations prescribed by the department.

(c) The department may prescribe other methods of payment including the use of bank depositories, bank and wire transfers, stamps or other methods necessary or helpful in securing a complete and timely collection of the tax.

Sec. 43.05.255. DEFINITION. For purposes of this chapter "department" means the Department of Revenue.

\* Sec. 3. The following laws are repealed: AS 43.20.190; 43.20.210; 43.20.280; AS 43.31.081; 43.31.161; 43.31.171(a); AS 43.40.010(d); AS 43.45.050; AS 43.50.100(a) and (b); 43.50.110; AS 43.60.030; AS 43.65.050(a) and (d); AS 43.70.040(b), (c) and (d); 43.70.050; 43.70.060(a); and AS 43.75.050(a), (b) and (d).

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\* Sec. 4. Repeals made by this Act do not affect tax liabilities accrued before January 1, 1975.

\* Sec. 5. This Act takes effect immediately in accordance with AS 01.10.070(c).