



LAWS OF ALASKA

1980

Source

CSHB 778

Chapter No.

74

AN ACT

Relating to the taxation of electric cooperatives; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1, LINE 9

UNDERLINED MATERIAL INDICATES TEXT THAT IS BEING ADDED TO THE LAW AND BRACKETED MATERIAL IN CAPITAL LETTERS INDICATES DELETIONS FROM THE LAW; COMPLETELY NEW TEXT OR MATERIAL REPEALED AND RE-ENACTED IS IDENTIFIED IN THE INTRODUCTORY LINE OF EACH BILL SECTION.

Approved by the Governor: June 12, 1980
Actual Effective Date: January 1, 1981

AN ACT

Relating to the taxation of electric cooperatives;
and providing for an effective date.

* Section 1. AS 10.25.540 is amended to read:

Sec. 10.25.540. TAXATION OF COOPERATIVES. (a) Cooperatives under this chapter shall apply for a business license and pay the initial license fee as provided by the Alaska Business License Act (AS 43.70), as amended.

(b) Before [MARCH 1, 1961, AND BEFORE] March 1 of each year [THEREAFTER],

(1) each telephone cooperative shall pay to the state, instead of state and local ad valorem, income and excise taxes which may be assessed or levied [ON OR AFTER JANUARY 1, 1960], a percentage of its gross revenue earned during the preceding calendar year;

(2) each electric cooperative shall pay to the state, instead of state and local ad valorem, income and excise taxes which may be assessed or levied, a tax on the number of kilowatt hours of electricity sold at retail by the cooperative during the preceding calendar year.

* Sec. 2. AS 10.25.550 is amended to read:

Sec. 10.25.550. AMOUNT OF TELEPHONE COOPERATIVE GROSS REVENUE TAX. The telephone cooperative gross revenue tax shall be computed as follows:

(1) one percent of gross revenue for cooperatives which have furnished [ELECTRIC ENERGY AND POWER, OR] telephone service [,] to

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1 consumers for less than five years as of December 31 of the preceding
2 calendar year;

3 (2) two percent of gross revenue for cooperatives which have
4 furnished [ELECTRIC ENERGY AND POWER, OR] telephone service [,] to
5 consumers for five years or longer as of December 31 of the preceding
6 calendar year.

7 * Sec. 3. AS 10.25 is amended by adding a new section to read:

8 Sec. 10.25.555. AMOUNT OF ELECTRIC COOPERATIVE TAX. (a) The
9 electric cooperative tax shall be computed as follows:

10 (1) one-fourth mill per kilowatt hour for cooperatives which
11 have furnished electric energy and power to consumers for less than five
12 years as of December 31 of the preceding calendar year;

13 (2) one-half mill per kilowatt hour for cooperatives which
14 have furnished electric energy and power to consumers for five years or
15 longer as of December 31 of the preceding calendar year.

16 (b) In this section, "mill" means one-tenth of one cent.

17 * Sec. 4. AS 10.25.560 is amended to read:

18 Sec. 10.25.560. MANNER OF COMPUTING TELEPHONE COOPERATIVE GROSS
19 REVENUE. [FOR THE PURPOSE OF COMPUTING GROSS REVENUE, AN ELECTRIC
20 COOPERATIVE SHALL INCLUDE ONLY THAT REVENUE WHICH HAS BEEN DERIVED FROM
21 ELECTRIC ENERGY WHICH IT DISTRIBUTES TO ITS CONSUMERS. IT SHALL NOT
22 INCLUDE REVENUE DERIVED FROM THE SALE OR TRANSMISSION OF ELECTRIC ENERGY
23 AND POWER TO, OR ON BEHALF OF, ANOTHER DISTRIBUTOR.] Gross revenue of
24 telephone cooperative includes all revenues earned from local and toll
25 services.

26 * Sec. 5. AS 10.25.570 is amended to read:

27 Sec. 10.25.570. REFUND [OF GROSS REVENUE TAX] TO LOCAL GOVERN-
28 MENTS. The proceeds of the telephone cooperative gross revenue tax
29 and the electric cooperative tax, less the amount expended by the state

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1 in their [ITS] collection, shall be refunded to an organized borough or
2 a city of any class incorporated under state law, in the proportion that
3 the revenue was earned within the city or the borough area outside the
4 city. However, taxes collected on gross revenue earned by a telephone
5 cooperative or on the sale of electricity by an electric cooperative
6 outside a city or organized borough shall be retained by the state and
7 deposited into its general fund.

8 * Sec. 6. The tax levied under AS 10.25.555, enacted by sec. 3 of this
9 Act, applies to the tax payable by an electric cooperative after December 31,
0 1979.

1 * Sec. 7. This Act takes effect January 1, 1981.
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