

NOTICE OF PROPOSED CHANGES IN THE
REGULATIONS OF THE DEPARTMENT OF REVENUE

Brief Description: The Department of Revenue proposes to adopt regulations changes in the area of Revenue Administration dealing with tax payments and interest.

The Department of Revenue proposes to adopt regulations changes in Title 15, Chapter 05, of the Alaska Administrative Code, dealing with Administration of Revenue Laws, including the following:

- (1) 15 AAC 05.310(a) will be amended to allow certain payments to be made through various methods, including wire transfer through the Federal Reserve System, ACH transaction, or another method approved by the commissioner.
- (2) 15 AAC 05.310(b) will be amended to require that certain payments exceeding a specified dollar amount be made electronically by wire transfer through the Federal Reserve System, by ACH transaction, or by another method approved by the commissioner.
- (3) 15 AAC 05.310(c) will be amended to update the address to which tax returns, reports, and payments must be sent when payment is made by check.
- (4) 15 AAC 05.310(d), which requires that certain oil and gas production and property tax payments be mailed to a specific address, will be repealed. Payment of those taxes will be required to be made in accordance with the methods allowed in 15 AAC 05.310(b).
- (5) 15 AAC 05.310(e) will be amended to change the method by which a taxpayer must notify the department when paying by direct-wire transfer and to change both the contents of the notice and the deadline by which the notice must be provided.
- (6) 15 AAC 05.310(e)(5), which requires a taxpayer to indicate on the face of the report or return that payment has been made by wire transfer, will be repealed.
- (7) 15 AAC 05.310(f), which defines "payment" for purposes of 15 AAC 05.310, will be amended to remove the reference to oil and gas conservation taxes under AS 43.57 as that tax type was repealed in 1999.
- (8) 15 AAC 05.310(h) will be amended to further define a "legal holiday."
- (9) 15 AAC 05.310 will be amended to add a new subsection (i) which describes the requirements for making a payment by ACH transaction.
- (10) 15 AAC 05.310 will be amended to add a new subsection (j) which describes how the department will apply payments.
- (11) 15 AAC 05.310 will be amended to add a new subsection (k) which defines "ACH transaction" for purposes of 15 AAC 05.310.
- (12) 15 AAC 05.330 is a proposed new section which identifies how the interest rate for delinquent taxes and overpayment of taxes beginning January 1, 2014 will be calculated.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to James Fletcher at the Department of Revenue at 550 West 7th Avenue, Suite 500, Anchorage, Alaska, 99501. Additionally, the Department of Revenue will accept comments by electronic mail at james.fletcher@alaska.gov. The comments must be received no later than 4:00 p.m. on

December 3, 2013. Written comments received are public records and are subject to public inspection.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact James Fletcher at 907-375-7706, no later than November 21, 2013 to ensure that any necessary accommodations can be provided.

For a copy of the proposed regulation changes, contact James Fletcher at 907-375-7706, or go to www.tax.state.ak.us and select the appropriate link under Regulations, Other Taxes, Draft Regulations.

After the public comment period ends, the Department of Revenue will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of the final regulations may be different from that of the proposed regulations. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.**

Statutory Authority: AS 43.05.080; AS 43.05.250

Statutes Being Implemented, Interpreted, or Made Specific: AS 43.05.225; AS 43.05.250; AS 43.05.280

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

10-31-13

Date



Matthew R. Fonder, Director, Tax Division