

Instructions for Alaska Telephone Cooperative Gross Revenue Tax Return

Taxation of Cooperatives (AS 10.25.540)

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 amended. Before March 1 of each year, 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, a percentage of its gross revenue earned during the preceding calendar year.

Amount of Telephone Cooperative Gross Revenue Tax (AS 10.25.550)

The telephone cooperative gross revenue tax shall be computed as follows:

1. one percent of gross revenue for cooperatives which have furnished telephone service to customers for less than five years as of December 31 of the preceding calendar year.
2. two percent of gross revenue for cooperatives which have furnished telephone service to consumers for five years or longer as of December 31 of the preceding calendar year.

Manner of Computing Telephone Cooperative Gross Revenue (AS 10.25.560)

Gross revenue of a telephone cooperative include all revenues earned from local and toll services.

Refund to Local Governments (AS 10.25.570)

The proceeds of the telephone cooperative gross revenue tax, less the amount expended by the state in its collection, shall be refunded to an organized borough or city of any class incorporated under state law, in the proportion that the revenue was earned within the city or borough area outside the city. Taxes collected on gross revenue of a telephone cooperative earned outside a city or organized borough shall be retained by the state and deposited into its general fund.

Checks -- Make checks payable to the **State of Alaska**. Note that if your total payment exceeds \$150,000.00, you are required to pay electronically or by wire transfer.

Where to Mail Return and Payment

TAX DIVISION
ALASKA DEPARTMENT OF REVENUE
PO BOX 110420
JUNEAU AK 99811-0420

Questions?

If you have any questions regarding this form, please contact the Tax Division at (907) 465-3776.