

Instructions for Alaska Electric 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 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 percentage of its gross revenue earned during the preceding calendar year.

Amount of Electric Cooperative Gross Revenue Tax (AS 10.25.555)

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

1. one-fourth mill per kilowatt hour for cooperatives which have furnished electric energy and power to consumers for less than five years as of December 31 of the preceding calendar year.
2. one-half mill per kilowatt hour for cooperatives which have furnished electric energy and power to consumers for five years or longer as of December 31 of the preceding calendar year.

Note: In this section, “mill” means one-tenth of one cent.

Refund to Local Governments (AS 10.25.570)

The proceeds of the electric 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 the sale of electricity by an electric cooperative 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 questions regarding this form, please contact the Tax Division at (907) 465-3376.