

15 AAC 05.310(a) is amended to read:

(a) A payment in an amount less than the amounts prescribed in (b)(1) and (2) of this section may be made by check in the manner prescribed in (c) [OR IN (d)] of this section, [WHICHEVER IS APPLICABLE, OR MAY BE MADE] by wire transfer **through the Federal Reserve System** in the manner prescribed in (e) of this section, **by an ACH transaction in the manner prescribed in (i) of this section, or by another method as approved by the commissioner.**

15 AAC 05.310(b) is amended to read:

(b) A payment in an amount equal to or greater than the following amounts **shall [MUST]** be made by wire transfer **through the Federal Reserve System** in the manner prescribed in (e) of this section, **by an ACH transaction in the manner prescribed in (i) of this section, or by another method as approved by the commissioner:**

(1) \$100,000 if for a return or report required to be filed on a monthly or quarterly basis;

(2) \$150,000 if for a return or report required to be filed on a yearly basis.[:]

15 AAC 05.310(c) is amended to read:

(c) For payment of a tax under AS 43, [EXCEPT A TAX DESCRIBED IN (d) OF THIS SECTION,] if payment is made by check, the taxpayer **shall [MUST]** mail the check, together with the required tax return or report, to the following address or to another address designated by the department: **Alaska Department of Revenue, PO Box 110420, [CASHIER, DEPARTMENT OF REVENUE, STATE OF ALASKA, P.O. BOX SA,] Juneau, Alaska 9981-0420.** A payment made by check or a return not requiring a payment will be considered timely if it is postmarked on or before the **date the payment** [DAY OF THE MONTH ON WHICH IT] is due.

15 AAC 05.310(d) is repealed:

(d) Repealed \_\_/\_\_/\_\_.

15 AAC 05.310(e)(1) is amended to read:

(1) the taxpayer shall notify the Alaska Department of Revenue, Treasury Division, by **electronic mail** [TELEX (TELEX NUMBER 099-45-333)] of the dollar amount, **taxpayer identification number, license number, if applicable, tax period to which the payment is to be applied,** and the type of tax to be paid no later than **2:00 p.m. Alaska Time** [9:00 A.M. PACIFIC] on the **business** day before the wire transfer is to be made;

15 AAC 05.310(e)(4) is amended to read:

(4) a payment made by wire transfer is timely if the taxpayer's commercial bank initiates the transfer of funds through the federal wire-transfer system on **or before** the date the payment is due.[:;]

15 AAC 05.310(e)(5) is repealed:

(5) repealed \_\_\_/\_\_\_/\_\_\_.

15 AAC 05.310(f) is amended to read:

(f) In this section, "payment" means the total amount due or estimated to be due by the taxpayer under any provision of AS 43, including taxes, interest and penalty, and for the purpose of taxes due under AS 43.55 **and** [,] AS 43.56 [AND AS 43.57], includes the total amount due for all interests on whose behalf the taxpayer is reporting and paying tax. For example, the \$100,000 threshold in (b)(1) of this section is reached if this total figure equals or exceeds \$100,000 even though none of the taxes nor the penalty may be \$100,000 individually.

**Authority:** AS 43.05.080 AS 43.05.250

15 AAC 05.310(h) is amended to read:

(h) When the last day for performing any act under any provision of AS 43 falls on a Saturday, Sunday, or a legal holiday, the performance of that act is considered timely if it is performed on the next succeeding day that is not a Saturday, Sunday, or legal holiday. "Legal Holiday" means a legal holiday [IN THE DISTRICT OF COLUMBIA OR] in this state **or a bank holiday observed by the Federal Reserve System.**

15 AAC 05.310 is amended by adding new subsections to read:

(i) A payment made by an ACH transaction must be made through the Department of Revenue's online services system. A payment made by an ACH transaction is timely if the taxpayer completes the payment on or before the date the payment is due.

(j) Unless otherwise instructed by the taxpayer, payments are applied to the earliest unpaid and collectible liability owed and due as of the payment availability date. Payments will be applied in the following order:

- (1) Tax;
- (2) Interest;
- (3) Penalties and fees.

(k) For purposes of this section, "ACH transaction" means an electronic transaction by means of the Automated Clearing House (ACH) network for the interbank clearing of electronic payments for participating depository financial institutions.

(Eff. 9/15/82, Register 83; am 6/1/84, Register 91; am 3/9/90, Register 113; am \_\_/\_\_/\_\_, Register \_\_\_\_)

**Authority:** AS 43.05.080 AS 43.05.250

15 AAC 05 is amended by adding a new section to read:

**15 AAC 05.330. Interest.** (a) Except as otherwise provided in AS 43.55.020(g), 43.55.020(h), and 15 AAC 55.830, the interest rate applicable to a delinquent tax or overpayment of a tax under AS 43 on or after January 1, 2014 is the interest rate under AS 43.05.225(1)(B) as of the first day of each calendar quarter in a calendar year calculated on an annualized basis.

(b) For purposes of this section, "delinquent tax" means only the amount of unpaid tax owed as of December 31, 2013 and does not include any accrued and unpaid interest the taxpayer owes on that date.

(c) For purposes of this section, "overpayment of a tax" means only the amount of tax overpaid as of December 31, 2013 and does not include any accrued interest owed to the taxpayer on that date.

(Eff. \_\_/\_\_/\_\_, Register \_\_\_\_)

**Authority:** AS 43.05.080 AS 43.05.225 AS 43.05.280