

# REPRESENTATIVE PEGGY WILSON

## House District 2

### Sponsor Statement

#### “Education Employment Tax”

#### CSHB 236 (FIN)

For many years Alaska had a School Tax that was paid by all employed persons. The money went into the general fund and became a portion of the dollars legislators earmarked for education. When Alaskans thought they were rich beyond their wildest dreams and the supply of oil money was endless the “School Tax” was repealed.

[CSHB 236](#) (FIN) imposes a \$100 “Alaska Education Tax” to be paid by all employed persons including self-employed who earn more than \$600 in Alaska. This is a way to assure that all persons who earn money in Alaska pay something for the services we all receive. It is also a way to collect some money from the 18.2% of workers who earn their living here in Alaska but live and spend their money in another state.

The tax collected would be deposited into the state’s general fund and accounted for separately. The legislature may then appropriate the amounts collected under this section for education. The Department of Revenue projects annual earnings from CSHB 236(FIN) to be approximately \$43 million.