A BILL

FOR AN ACT ENTITLED

"An Act relating to contributions to the Alaska Fire Standards Council and to an insurer tax credit for those contributions; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

* Section 1. AS 21.89 is amended by adding a new section to read:

Sec. 21.89.075. Insurance tax credit for gifts to the Alaska Fire Standards Council. (a) For cash contributions prequalified under (d) of this section and made for fire services programs to the Alaska Fire Standards Council established under AS 18.70.330, a taxpayer is allowed a credit against the tax due under AS 21.09.210 that is imposed on insurance that includes coverage for losses due to fire.

(b) The amount of the credit allowed to a taxpayer under (a) of this section is the lesser of

(1) an amount equal to

(A) 50 percent of contributions of not more than $100,000; and

(B) 100 percent of the next $100,000 of contributions; or
(2) 50 percent of the taxpayer’s tax liability under this title.

c) A contribution claimed by a taxpayer as a credit under this section may not
   (1) be claimed as a credit under more than one provision of this title;
   (2) when combined with credits taken during the taxpayer’s tax year
   under AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or
   AS 43.77.045, exceed $150,000; or
   (3) be claimed as a credit unless the contribution qualifies for the credit
   under (d) of this section.

d) A taxpayer may not claim a contribution as a credit under (a) of this
   section unless the taxpayer applies to the director for prequalification of the
   contribution as a tax credit and receives written notice from the director that the
   contribution prequalifies for the tax credit described under this section. The director
   shall allow prequalified tax credits for contributions under this section in the order that
   the director receives applications by taxpayers and may not provide notice of
   prequalification if the taxpayer’s contribution would cause the total contributions made
   by all taxpayers during the calendar tax year to exceed $300,000.

* Sec. 2. AS 37.05.146(b) is amended by adding a new paragraph to read:
   (6) receipts of the Alaska Fire Standards Council for which a taxpayer
   is allowed a credit under AS 21.89.075.

* Sec. 3. AS 43.20.014(d) is amended to read:
   (d) A contribution claimed as a credit under this section may not
       (1) be claimed as a credit under another provision of this title;
       (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax
           imposed by this chapter; and
       (3) when combined with credits taken during the taxpayer’s tax year
           under AS 21.89.070, **21.89.075**, AS 43.55.019, AS 43.56.018, AS 43.65.018,
           AS 43.75.018, or AS 43.77.045, exceed $150,000.

* Sec. 4. AS 43.55.019(d) is amended to read:
   (d) A contribution claimed as a credit under this section may not
       (1) be claimed as a credit under another provision of this title; and
       (2) when combined with credits taken during the taxpayer's tax year
* Sec. 5. AS 43.56.018(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be claimed as a credit under another provision of this title; and

(2) when combined with credits taken during the taxpayer's tax year

under AS 21.89.070, AS 43.20.014, AS 43.55.019, AS 43.65.018,

AS 43.75.018, or AS 43.77.045, exceed $150,000.

* Sec. 6. AS 43.65.018(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be claimed as a credit under another provision of this title; and

(2) when combined with credits taken during the taxpayer's tax year

under AS 21.89.070, AS 43.20.014, AS 43.55.019, AS 43.65.018,

AS 43.75.018, or AS 43.77.045, exceed $150,000.

* Sec. 7. AS 43.75.018(d) is amended to read:

(d) A contribution claimed as a credit under this section may not

(1) be claimed as a credit under another provision of this title; and

(2) when combined with credits taken during the taxpayer's tax year

under AS 21.89.070, AS 43.20.014, AS 43.55.019, AS 43.56.018,

AS 43.65.018, or AS 43.75.018, exceed $150,000.

* Sec. 8. AS 43.77.045(c) is amended to read:

(c) A contribution claimed as a credit under this section may not

(1) be claimed as a credit under another provision of this title; and

(2) when combined with credits taken during the taxpayer's tax year

under AS 21.89.070, AS 43.20.014, AS 43.55.019, AS 43.56.018,

AS 43.65.018, or AS 43.75.018, exceed $150,000.

* Sec. 9. This Act takes effect July 1, 2000.