

February 2, 2012

The Honorable Mia Costello
Alaska House of Representatives
Capitol Room 412
Juneau, AK 99801

Re: Support of House Bill 252

Dear Representative Costello,

The Alaska State Chamber of Commerce (Alaska Chamber) is an organization dedicated to improving the business climate in Alaska. The Alaska Chamber represents hundreds of statewide businesses from Ketchikan to Barrow that share a common goal: to make Alaska a viable and competitive place to do business. Today, I am writing in support of House Bill (HB) 252.

Last fall, Alaska Chamber members adopted twenty-six positions they believe will positively impact the business environment in Alaska. One of the positions is: "Support High Growth Tech Industries." The Alaska Chamber encourages the State of Alaska to take advantage of the Small Business Jobs Act of 2010 to provide incentives to Alaska businesses to incorporate as C corporations, making it easier to attract investment to Alaska. Currently, Alaska faces the fifth highest state corporate income tax rate in the country. Many States are taking advantage of a provision in the Small Business Jobs Act of 2010 to provide a limited exemption for businesses that fall under the Qualified Small Business definition under section 1202 of the Internal Revenue Code. The Alaska Chamber supports appropriate incentives, through legislation, which will aide the diversification of Alaska and help secure a sustainable economy far into the future.

HB 252 seeks to encourage the development of high-growth technology and research companies in Alaska by utilizing the provision in the Small Business Jobs Act of 2010, referenced above. The fiscal impact of the exemption created under HB 252 is expected to be minimal.

The Alaska Chamber looks forward to continued support and eventual passage of HB 252.

Sincerely,



Rachael A. Petro
President/CEO

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