

**SITKA ECONOMIC DEVELOPMENT ASSOCIATION**

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Senator Bert Stedman
Finance Committee Co-Chair
Alaska State Capitol, Room #516
Juneau, Alaska 99801

Dear Senator Stedman:

The Sitka Economic Development Association (SEDA) would like to express its support for Senate Bill 236, an "Act relating to tax credits for cash contributions by corporate taxpayers that are accepted for certain educational purposes or for a facility."

SEDA recognizes that education is a key component to economic development and requests your support for Senate Bill 236. The current cap of \$150,000 in annual tax credits on corporate contributions to Alaskan higher education institutions discourages maximum giving. Adding the 50% tax credit for contributions over \$200,000 will encourage larger corporate contributions to Alaska's Universities, colleges, and vocational training schools.

Institutions of higher education play a multi-faceted role in economic development by:

1. Creating a skilled workforce that is prepared to support Alaska's key industries;
2. Providing scientific research and development of new technologies that can be commercialized or utilized in a manner that benefits Alaska's communities; and
3. Directly contributing to local and regional economies through job creation and spending.

This bill is a significant step toward diversifying funding sources for Alaska's institutions of higher education and strengthening workforce development and employment opportunities for Alaskans.

We encourage passage of Senate Bill 236 during the current session of the Twenty-sixth Legislature.

Thank you for your consideration.

Best regards,

Garry White, Executive Director