

# LEGAL SERVICES

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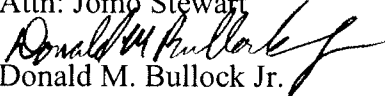
State Capitol  
Juneau, Alaska 99801-1182  
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## MEMORANDUM

March 6, 2010

**SUBJECT:** Sectional summary for CSSB 236(EDC)  
(Work Order No. 26-LS1191\M)

**TO:** Senator Kevin Meyer  
Attn: Jomo Stewart

**FROM:**   
Donald M. Bullock Jr.  
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

**Section 1.** Amends AS 21.06.110 to require the director of the division of insurance to include the total amount of contributions reported and the total amount of credit claimed under AS 21.89.070 and 21.89.075.

**Section 2.** Amends AS 21.89.070(a) to allow credits for cash contributions accepted for facilities and vocational education courses and programs. Credits are applied against the tax due under AS 21.09.210 or AS 21.66.110.

**Section 3.** Amends AS 21.89.070(a), as amended in sec. 2, to return the language of the subsection to its current form.

**Section 4.** Amends AS 21.89.070(b) to increase the amount of contributions eligible for the tax credit.

**Section 5.** Amends AS 21.89.070(b), as amended in sec. 4, to return the language of the subsection to its current form.

**Section 6.** Amends AS 21.89.070(d) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 7.** Amends AS 21.89.070(d), as amended in sec. 6, to reduce the total amount of credits allowed to the amount in current law, \$150,000.

**Section 8.** Adds a new subsection to AS 21.89.070 to state that the credit may not reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 9.** Amends AS 21.89.075(c) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 10.** Amends AS 21.89.075(c), as amended in sec. 9, to reduce the total amount of credits allowed to the amount in current law, \$150,000.

**Section 11.** Adds a new subsection to AS 21.89.075 to state that the credit may not reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 12.** Amends AS 43.05.010 to require the commissioner of revenue to report to the legislature the total amount of contributions reported and the total amount of credit claimed 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.

**Section 13.** Amends AS 43.20.014(a) to allow credits for cash contributions accepted for facilities and vocational education courses and programs. Credits are applied against the tax due under AS 43.20.

**Section 14.** Amends AS 43.20.014(a), as amended in sec. 13, to return the language of the subsection to its current form.

**Section 15.** Amends AS 43.20.014(b) to increase the amount of contributions eligible for the tax credit.

**Section 16.** Amends AS 43.20.014(b), as amended in sec. 15, to return the language of the subsection to its current form.

**Section 17.** Amends AS 43.20.014(d) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 18.** Amends AS 43.20.014(d), as amended in sec. 17, to reduce the total amount of credits allowed to the amount in current law, \$150,000.

**Section 19.** Adds a new subsection to AS 43.20.014 to state that the credit may not reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 20.** Amends AS 43.55.019(a) to allow credits for cash contributions accepted for facilities and vocational education courses and programs. Credits are applied against the tax due under AS 43.55.

**Section 21.** Amends AS 43.55.019(a), as amended in sec. 20, to return the language of the subsection to its current form.

**Section 22.** Amends AS 43.55.019(b) to increase the amount of contributions eligible for the tax credit.

**Section 23.** Amends AS 43.55.019(b), as amended in sec. 22, to return the language of the subsection to its current form.

**Section 24.** Amends AS 43.55.019(d) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 25.** Amends AS 43.55.019(d), as amended in sec. 24, to reduce the total amount of credits allowed to the amount in current law, \$150,000.

**Section 26.** Adds a new subsection to AS 43.55.019 to state that the credit may not reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 27.** Amends AS 43.56.018(a) to allow credits for cash contributions accepted for facilities and vocational education courses and programs. Credits are applied against the tax due under AS 43.56.

**Section 28.** Amends AS 43.56.018(a), as amended in sec. 27, to return the language of the subsection to its current form.

**Section 29.** Amends AS 43.56.018(b) to increase the amount of contributions eligible for the tax credit.

**Section 30.** Amends AS 43.56.018(b), as amended in sec. 29, to return the language of the subsection to its current form.

**Section 31.** Amends AS 43.56.018(d) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 32.** Amends AS 43.56.018(d), as amended in sec. 31, to reduce the total amount of credits allowed to the amount in current law, \$150,000.

**Section 33.** Adds a new subsection to AS 43.56.018 to state that the credit may not

reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 34.** Amends AS 43.65.018(a) to allow credits for cash contributions accepted for facilities and vocational education courses and programs. Credits are applied against the tax due under AS 43.65.

**Section 35.** Amends AS 43.65.018(a), as amended in sec. 34, to return the language of the subsection to its current form.

**Section 36.** Amends AS 43.65.018(b) to increase the amount of contributions eligible for the tax credit.

**Section 37.** Amends AS 43.65.018(b), as amended in sec. 36, to return the language of the subsection to its current form.

**Section 38.** Amends AS 43.65.018(d) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 39.** Amends AS 43.65.018(d), as amended in sec. 38, to reduce the total amount of credits allowed to the amount in current law, \$150,000.

**Section 40.** Adds a new subsection to AS 43.65.018 to state that the credit may not reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 41.** Amends AS 43.75.018(a) to allow credits for cash contributions accepted for facilities and vocational education courses and programs. Credits are applied against the tax due under AS 43.75.

**Section 42.** Amends AS 43.75.018(a), as amended in sec. 41, to return the language of the subsection to its current form.

**Section 43.** Amends AS 43.75.018(b) to increase the amount of contributions eligible for the tax credit.

**Section 44.** Amends AS 43.75.018(b), as amended in sec. 43, to return the language of the subsection to its current form.

**Section 45.** Amends AS 43.75.018(d) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 46.** Amends AS 43.75.018(d), as amended in sec. 45, to reduce the total amount

of credits allowed to the amount in current law, \$150,000.

**Section 47.** Adds a new subsection to AS 43.75.018 to state that the credit may not reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 48.** Amends AS 43.77.045(a) to allow credits for cash contributions accepted for facilities and vocational education courses and programs. Credits are applied against the tax due under AS 43.77.

**Section 49.** Amends AS 43.77.045(a), as amended in sec. 48, to return the language of the subsection to its current form.

**Section 50.** Amends AS 43.77.045(b) to increase the amount of contributions eligible for the tax credit.

**Section 51.** Amends AS 43.77.045(b), as amended in sec. 50, to return the language of the subsection to its current form.

**Section 52.** Amends AS 43.77.045(d) to increase the total amount of credits allowed under AS 21.89.070, 21.89.075, 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 to \$25,000,000.

**Section 53.** Amends AS 43.77.045(d), as amended in sec. 52, to reduce the total amount of credits allowed to the amount in current law, \$150,000.

**Section 54.** Adds a new subsection to AS 43.77.045 to state that the credit may not reduce the tax liability below zero and that an unused credit may not be sold, traded, transferred, or applied in a subsequent tax year.

**Section 55.** Repeals the listed statutory subsections and paragraphs. Under sec. 57, the repeals take effect on January 1, 2014.

**Section 56.** Provides that secs. 1, 2, 4, 6, 8, 9, 11 - 13, 15, 17, 19, 20, 22, 24, 26, 27, 29, 31, 33, 34, 36, 38, 40, 41, 43, 45, 47, 48, 50, 52, and 54 take effect January 1, 2011.

**Section 57.** Provides that the sections not listed in sec. 56 take effect on January 1, 2014.