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Nauman
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CS FOR HOUSE BILL NO. 364(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

**Offered:
Referred:**

Sponsor(s): HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

A BILL

FOR AN ACT ENTITLED

"An Act relating to a credit against the net income tax for a contribution made by a taxpayer to a nonprofit organization that provides an emergency shelter for the homeless or a facility for alcohol or drug detoxification."

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

*** Section 1.** AS 43.20 is amended by adding a new section to article 1 to read:

Sec. 43.20.048. Homeless shelter and drug and alcohol treatment facility contribution credit. (a) A taxpayer is allowed a credit against the tax due under this chapter for cash contributions accepted by a nonprofit organization in existence on January 1, 2012, that qualifies for exemption from taxation under 26 U.S.C. 501(c)(3) (Internal Revenue Code) and that operates principally to provide

- (1) an emergency shelter for the homeless;
- (2) a facility for alcohol or drug detoxification; or
- (3) a combination of the programs described in (1) and (2) of this

subsection.

1 (b) The amount of the credit is the lesser of 50 percent of the amount of the
2 cash contribution or \$200,000.

3 (c) The department shall develop and implement procedures by which a
4 taxpayer may submit information regarding the taxpayer's proposed contribution to the
5 department and request a preliminary determination of whether the contribution
6 qualifies for the tax credit under this section. A preliminary determination by the
7 department that the contribution qualifies for the credit is binding, unless the
8 department determines that the taxpayer has made a material misrepresentation in the
9 taxpayer's submission.

10 (d) The commissioner shall, by January 1 of each year, provide to the
11 legislature a list of recipients of contributions, the total amount of contributions
12 reported, and the total amount of credit claimed under this section during the previous
13 calendar year.

14 (e) A contribution claimed as a credit under this section may not
15 (1) be the basis for a credit claimed under another provision of this
16 title; or
17 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax
18 imposed by this chapter.

19 (f) The credit under this section may not reduce a person's tax liability under
20 this chapter to below zero for any tax year. An unused credit or portion of a credit not
21 used under this section for a tax year may not be sold, traded, transferred, or applied in
22 a subsequent tax year.

23 * **Sec. 2.** AS 43.20.048 is repealed January 1, 2018.