

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 14, 2014

SUBJECT: Sectional of HB 306 (Work Order No. 28-LS1396\N)

TO: Representative Steve Thompson
Attn: Brodie Anderson

FROM: Emily Nauman 
Legislative Counsel

You have requested a sectional summary of the above-described draft 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 makes an amendment conforming to the repeal of AS 21.96.075 (insurance tax credit for gifts to the Alaska Fire Standards Council).

Section 2 requires the Legislative Finance Division to prepare and deliver to the legislature an indirect expenditure report.

Section 3 sets out a schedule of the departments to be reviewed and the contents of the indirect expenditure report prepared by the Legislative Finance Division.

Section 4 lapses an appropriation or allocation to a named recipient for a project if, five years after appropriation or allocation, the project has not begun.

Section 5 lapses an appropriation or allocation to an unincorporated community for a project if, five years after appropriation or allocation, the project has not begun.

Section 6 amends AS 37.25.020 to state that an appropriation made for a capital project is valid for the life of the project unless work on the project has not begun within five years after the effective date of the appropriation.

Section 7 makes an amendment conforming to the repeal of AS 27.30 (administration of the exploration incentive credit).

Section 8 makes an amendment conforming to the repeal of AS 27.30 (administration of the exploration incentive credit).

Section 9 requires the Department of Revenue to prepare and deliver to the legislature a report of indirect expenditures. The section sets out the contents of the report and directs all departments, agencies, and public corporations to provide the commissioner of the Department of Revenue with any information necessary to complete the indirect expenditures report. The section also defines "indirect expenditures."

Section 10 makes an amendment conforming to the repeal of AS 27.30 (administration of the exploration incentive credit).

Section 11 makes an amendment conforming to the repeal of AS 43.77.040 (credit for the fishery resource harvested under the community development quota).

Section 12 repeals, on the day after the last day of the second regular session of the twenty-ninth legislature, the following credits and statutes related to the administration of credits:

- AS 21.66.110(b) (related to the administration of the insurance tax education credit);
- AS 21.96.070 (insurance tax education credit);
- AS 21.96.075(c)(2) (administration of the education tax credits and the cap on the insurance tax credit for gifts to the Alaska Fire Standards Council);
- AS 24.20.271(12) (administration of the film production tax credit);
- AS 27.30.010 - 27.30.099 (administration of the exploration incentive credit);
- AS 43.20.014 (income tax education credit);
- AS 43.20.044 (exploration incentive credit);
- AS 43.20.048 (veteran employment tax credit);
- AS 43.55.019 (oil or gas producer education credit);
- AS 43.56.018 (property tax education credit);
- AS 43.65.018 (mining business education credit);
- AS 43.75.018 (fisheries business education credit);
- AS 43.75.032 (fisheries business tax credit for scholarship contributions);
- AS 43.75.035 (fisheries business salmon product development tax credit);
- AS 43.75.036 (fisheries business salmon utilization tax credit);
- AS 43.75.130(b) (administration of the fisheries business tax credit for scholarship contributions);
- AS 43.75.130(f) (administration of the fisheries business salmon product development tax credit, fisheries business salmon utilization tax credit, and the film production tax credit);
- AS 43.75.130(g) (administration of the fisheries business salmon product development tax credit, fisheries business salmon utilization tax credit, and the film production tax credit);
- AS 43.77.035 (fisheries resource landing tax credit for scholarship contributions);

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- AS 43.77.040 (fisheries resource landing tax credit for the fishery resource harvested under the community development quota);
- AS 43.77.045 (fisheries resource landing tax education credit);
- AS 43.77.060(e) (administration of the fisheries resource landing tax credit for scholarship contributions, fisheries resource landing tax education credit, and the film production tax credit)
- AS 43.98.030 (film production tax credit);
- AS 44.25.100 - 44.25.190 (administration of the film production tax credit).

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