

ALASKA STATE LEGISLATURE

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REPRESENTATIVE STEVE THOMPSON DISTRICT 2

House Bill 97

“An Act repealing the insurance tax credit for gifts to the Alaska fire standards council; and providing for an effective date.”

House Bill 97 will establish a sunset date of January 1, 2022 for the Alaska Fire Standards Council (Council) tax credit. Established in 2000, the tax credit was intended to provide a funding mechanism for the Council by way of donations from insurance companies. In exchange for making a donation, an insurance company would receive a credit to apply against their taxes. But since inception, there has never been a donation to the Council, therefore, no tax credits have been issued. While the intent of the credit was to provide a funding mechanism for the Council, the incentive appears to be ineffective. HB 97 will provide a sunset date, allowing the Legislature to decide whether to reauthorize the credit or allow it to terminate in 2022.