

ALASKA STATE LEGISLATURE

REPRESENTATIVE ADAM WOOL

Session: January – April
State Capitol, Room 501
Juneau, AK 99801-1182
Phone: 907-465-4976

Interim: May – December
1292 Sadler Way, Ste. 308
Fairbanks, AK 99701
Phone: 907-452-6084



HB130: The Corporate Tax Fairness Act

Sectional Analysis

- Sec. 1.** Amends the definition of who pays the corporate income tax to include other oil and gas business entities regardless of business structure.
- Sec. 2** Adds a new definition of “oil and gas business entity,” as used in Section 1. This means a person engaged in the production of oil or gas or engaged in the transportation of oil or gas by pipeline in Alaska.
- Sec. 3** Limits the use of federal tax credits in the corporate income tax calculation to those credits generated through activities conducted in the state.
- Sec. 4** Conforming language to the repeal of AS 43.20.045(b)(3) in Sec. 6.
- Sec. 5** Conforming language to the repeal of AS 43.20.045(b)(3) in Sec. 6.
- Sec. 6** Repeals the statute allowing 80% of royalties received from foreign corporations to be excluded from the income calculation. Also repeals obsolete provisions related to a former federal tax statute and Stranded Gas Act contracts.
- Sec. 7** Adds new uncodified law to sever Alaska’s connection to the CARES Act loss carryback provisions.
- Sec. 8** Applicability section; the tax changes in this bill apply to taxpayers for years on or after the effective date of the relevant changes.
- Sec. 9** Section 7, the CARES Act decoupling, is retroactive to January 1, 2020.
- Sec. 10** The effective date for Sections 1-6 is January 1, 2022.
- Sec. 11** Except as provided in Sec. 10, the bill has an immediate effective date