



ALASKA STATE LEGISLATURE  
Senate Education Committee

SENATOR Löki Gale Tobin, Chair  
*State Capital Room 11, Juneau AK 99801, Phone 465-3704*

## **Senate Bill 120 – Extend Education Tax Credits**

### **Version A Sectional Analysis**

**Section 1** – Amends AS 21.96.070(b), which governs insurance tax education credits, to set the amount of the Alaska Education Tax Credit (ETC) at 50 percent of contributions up to \$100,000, 100 percent of contributions from \$100,001 through \$300,000, and 50 percent of the amount of contributions that exceed \$300,000. Currently the insurance tax education credit is limited to 50 percent of contributions.

**Section 2** – Amends AS 21.96.070(d), which governs insurance tax education credits, to stipulate that contributions claimed as a credit may not be used to claim credit elsewhere under this title and may not be combined with other credits to exceed a total of \$5,000,000. The current cap is \$1,000,000. If the taxpayer is a member of an affiliated group, the total amount of credits for the group may not exceed \$5,000,000. Currently the cap is \$1,000,000.

**Section 3** – Amends AS 43.20.014(b), which governs income tax education credits, to align with the tax credit amounts set forth in the Act.

**Section 4** – Amends AS 43.20.014(d), which governs income tax education credits, to align with the total cap on education credits set forth in this Act.

**Section 5** – Amends AS 43.55.019(b), which governs the oil or gas producer education credit, to align with the tax credit amounts set forth in this Act.

**Section 6** – Amends AS 43.55.019(d), which governs the oil or gas producer education credit, to align with the total cap on education credits set forth in this Act.

**Section 7** – Amends AS 43.56.018(b), which governs the property tax education credit, to align with the tax credit amounts set forth in this Act.

**Section 8** – Amends AS 43.56.018(d), which governs the property tax education credit, to align with the total cap on education credits set forth in this Act.

**Section 9** – Amends AS 43.65.018(b), which governs the mining business education credit, to align with the tax credit amounts set forth in this Act.

**Section 10** – Amends AS 43.75.018(d), which governs the mining business education credit, to align with the total cap on education credits set forth in this Act.

**Section 11** – Amends AS 43.75.018(b), which governs the fisheries business education credit, to align with the tax credit amounts set forth in this Act.

**Section 12** – Amends AS 43.75.018(d), which governs fisheries business education credit, to align with the total cap on education credits set forth in this Act.

**Section 13** – Amends AS 43.77.045(b), which governs the fisheries resource landing tax education credit, to align with the tax credit amounts set forth in this Act.

**Section 14** – Amends AS 43.77.045(d), which governs the fisheries resource landing tax education credit, to align with the total cap on education credits set forth in this Act.

**Section 15** – Provides for January 1, 2031, effective date for the expiration of the Education Tax Credit program.

**Section 16** – Sets the effective date for this Act as January 1, 2024.