



## Sectional Analysis

### Senate Bill 237 – Tax Credit Child Care/Utility/House/Food

**Section 1:** Adds a new section at 43.20.022 which creates a new tax credit—the Alaska affordability tax credit. The amount of the credit is up to 50 percent of a corporation's tax liability. The credit is 50 percent of qualifying expenditures for employer-provided childcare, residential heating and electricity affordability, housing affordability, and food affordability. The bill authorizes the department to adopt regulations that define qualifying expenditures.

A contribution claimed as an Alaska affordability tax credit could not also be the basis for a different tax credit or be allowed as a federal tax deduction, which is the basis for computing the Alaska corporate income tax.

The credit is nontransferable and cannot be carried forward or backwards.

**Section 2:** The credit takes effect 1/1/25.