



LAWS OF ALASKA

1994

Source
CSSB 225(HES)

Chapter No.
21

AN ACT

Relating to credits against certain insurance taxes for contributions to certain educational institutions; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: May 5, 1994

Actual Effective Date: May 6, 1994, retroactive to January 1, 1994

AN ACT

1 Relating to credits against certain insurance taxes for contributions to certain educational
2 institutions; and providing for an effective date.

3

4 * **Section 1.** AS 21.09.210 is amended by adding a new subsection to read:

5 (j) The provisions of AS 21.89.070 apply to a taxpayer who is required to pay
6 a tax due under this section.

7 * **Sec. 2.** AS 21.66.110 is amended by adding a new subsection to read:

8 (b) The provisions of AS 21.89.070 apply to a taxpayer who is required to pay
9 the tax due under this section.

10 * **Sec. 3.** AS 21.89 is amended by adding a new section to read:

11 Sec. 21.89.070. INSURANCE TAX CREDIT FOR GIFTS TO COLLEGES.

12 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
13 AS 21.66.110 for cash contributions for direct instruction, research, and educational
14 support purposes, including library and museum acquisitions, and contributions to

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1 endowment, that are accepted by a nonprofit, public or private, Alaska two-year or
2 four-year college or university accredited by a regional accreditation association or that
3 are accepted by an Alaska university foundation that supports a university or college
4 that could receive a contribution for which a taxpayer may obtain a credit under this
5 section. The amount of the credit is the lesser of

6 (1) an amount equal to

7 (A) 50 percent of contributions of not more than \$100,000; and

8 (B) 100 percent of the next \$100,000 of contributions; or

9 (2) 50 percent of the taxpayer's tax liability under this title.

10 (b) By September 30 of each year, the Department of Commerce and
11 Economic Development shall report to the Legislative Budget and Audit Committee
12 on the credits taken during the preceding state fiscal year under this section. Each
13 public college and university shall include in its annual operating budget request
14 contributions received and how the contributions were used.

15 (c) A contribution claimed as a credit under this section

16 (1) may not be claimed as a credit under more than one provision of
17 this title; and

18 (2) may not, when combined with credits taken during the taxpayer's
19 tax year under AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, or
20 AS 43.75.018, exceed \$150,000.

21 * Sec. 4. AS 43.20.014(d) is amended to read:

22 (d) A contribution claimed as a credit under this section

23 (1) may not be claimed as a credit under another provision of this title;

24 (2) may not also be allowed as a deduction under 26 U.S.C. 170 against
25 the tax imposed by this chapter; and

26 (3) may not, when combined with credits taken during the taxpayer's
27 tax year under AS 21.89.070, AS 43.55.019, AS 43.56.018, AS 43.65.018, or
28 AS 43.75.018, exceed \$150,000.

29 * Sec. 5. AS 43.55.019(d) is amended to read:

30 (d) A contribution claimed as a credit under this section may not

31 (1) be claimed as a credit under another provision of this title; and

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1 (2) when combined with credits taken during the taxpayer's tax year
2 under AS 21.89.070, AS 43.20.014, AS 43.56.018, AS 43.65.018, or AS 43.75.018,
3 exceed \$150,000.

4 * Sec. 6. AS 43.56.018(d) is amended to read:

5 (d) A contribution claimed as a credit under this section may not

6 (1) be claimed as a credit under another provision of this title; and

7 (2) when combined with credits taken during the taxpayer's tax year
8 under AS 21.89.070, AS 43.20.014, AS 43.55.019, AS 43.65.018, or AS 43.75.018,
9 exceed \$150,000.

10 * Sec. 7. AS 43.65.018(d) is amended to read:

11 (d) A contribution claimed as a credit under this section may not

12 (1) be claimed as a credit under another provision of this title; and

13 (2) when combined with credits taken during the taxpayer's tax year
14 under AS 21.89.070, AS 43.20.014, AS 43.55.019, AS 43.56.018, or AS 43.75.018,
15 exceed \$150,000.

16 * Sec. 8. AS 43.75.018(d) is amended to read:

17 (d) A contribution claimed as a credit under this section may not

18 (1) be claimed as a credit under another provision of this title; and

19 (2) when combined with credits taken during the taxpayer's tax year
20 under AS 21.89.070, AS 43.20.014, AS 43.55.019, AS 43.56.018, or AS 43.65.018,
21 exceed \$150,000.

22 * Sec. 9. This Act is retroactive to January 1, 1994, and applies to contributions made
23 under AS 21.89.070, added by sec. 3 of this Act, after December 31, 1993.

24 * Sec. 10. This Act takes effect immediately under AS 01.10.070(c).