

**SENATE BILL NO. 241**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY SENATORS LEMAN, Miller, Parnell

Introduced: 1/15/98

Referred: HESS, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to a tax credit program for postsecondary colleges or  
2 universities; and providing for an effective date."

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

4 \* **Section 1.** AS 21.89.070(a) is amended to read:

5 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or  
6 AS 21.66.110 for cash contributions for direct instruction, research, and educational  
7 support purposes, including library and museum acquisitions, and contributions to  
8 endowment, that are accepted by a nonprofit, public or private, Alaska two-year or  
9 four-year college or university accredited by a national or regional accreditation  
10 association or that are accepted by an Alaska university foundation that supports a  
11 university or college that could receive a contribution for which a taxpayer may obtain  
12 a credit under this section. The amount of the credit is the lesser of

13 (1) an amount equal to

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

- 1 (B) 100 percent of the next \$100,000 of contributions; or  
2 (2) 50 percent of the taxpayer's tax liability under this title.

3 \* **Sec. 2.** AS 43.20.014(a) is amended to read:

4 (a) For cash contributions accepted for direct instruction, research, and  
5 educational support purposes, including library and museum acquisitions, and  
6 contributions to endowment, by an Alaska university foundation or by a nonprofit,  
7 public or private, Alaska two-year or four-year college accredited by a **national or**  
8 regional accreditation association, a taxpayer is allowed as a credit against the tax due  
9 under this chapter

- 10 (1) 50 percent of contributions of not more than \$100,000; and  
11 (2) 100 percent of the next \$100,000 of contributions.

12 \* **Sec. 3.** AS 43.55.019(a) is amended to read:

13 (a) For cash contributions accepted for direct instruction, research, and  
14 educational support purposes, including library and museum acquisitions, and  
15 contributions to endowment, by an Alaska university foundation or by a nonprofit,  
16 public or private, Alaska two-year or four-year college accredited by a **national or**  
17 regional accreditation association, a producer of oil or gas is allowed as a credit  
18 against the tax due under this chapter

- 19 (1) 50 percent of contributions of not more than \$100,000; and  
20 (2) 100 percent of the next \$100,000 of contributions.

21 \* **Sec. 4.** AS 43.56.018(a) is amended to read:

22 (a) For cash contributions accepted for direct instruction, research, and  
23 educational support purposes, including library and museum acquisitions, and  
24 contributions to endowment, by an Alaska university foundation or by a nonprofit,  
25 public or private, Alaska two-year or four-year college accredited by a **national or**  
26 regional accreditation association, the owner of property taxable under this chapter is  
27 allowed as a credit against the tax due under this chapter

- 28 (1) 50 percent of contributions of not more than \$100,000; and  
29 (2) 100 percent of the next \$100,000 of contributions.

30 \* **Sec. 5.** AS 43.65.018(a) is amended to read:

31 (a) For cash contributions accepted for direct instruction, research, and

1 educational support purposes, including library and museum acquisitions, and  
2 contributions to endowment, by an Alaska university foundation or by a nonprofit  
3 public or private, Alaska two-year or four-year college accredited by a **national or**  
4 regional accreditation association, a person engaged in the business of mining in the  
5 state is allowed as a credit against the tax due under this chapter

6 (1) 50 percent of contributions of not more than \$100,000; and

7 (2) 100 percent of the next \$100,000 of contributions.

8 \* **Sec. 6.** AS 43.75.018(a) is amended to read:

9 (a) For cash contributions accepted for direct instruction, research, and  
10 educational support purposes, including library and museum acquisitions and  
11 contributions to endowment, by an Alaska university foundation or by a nonprofit,  
12 public or private, Alaska two-year or four-year college accredited by a **national or**  
13 regional accreditation association, a person engaged in a fisheries business is allowed  
14 as a credit against the tax due under this chapter

15 (1) 50 percent of contributions of not more than \$100,000; and

16 (2) 100 percent of the next \$100,000 of contributions.

17 \* **Sec. 7.** AS 43.77.045(a) is amended to read:

18 (a) In addition to the credit allowed under AS 43.77.040, for cash contributions  
19 accepted for direct instruction, research, and educational support purposes, including  
20 library and museum acquisitions and contributions to endowment, by an Alaska  
21 university foundation or by a nonprofit, public or private, Alaska two-year or four-year  
22 college accredited by a **national or** regional accreditation association, a person  
23 engaged in a floating fisheries business is allowed as a credit against the tax due under  
24 this chapter

25 (1) 50 percent of contributions of not more than \$100,000; and

26 (2) 100 percent of the next \$100,000 of contributions.

27 \* **Sec. 8.** This Act takes effect July 1, 1998.