

AMENDMENT

OFFERED IN THE HOUSE
TO: CSHB 303(FIN)

*Amendment #1 to
Amendment #2*

1 Page 1, lines 1 - 2:

2 Delete all material.

3 Insert **""An Act relating to taxation of income; and providing for an effective**
4 **date."""**

5

6 Page 1, line 4, through page 9, line 25:

7 Delete all material and insert new bill sections to read:

8 **** Section 1.** AS 43.20 is amended by adding a new section to read:

9 **Sec. 43.20.009. Tax on individuals.** (a) There is imposed for each taxable
10 year an income tax on the taxable income of every

11 (1) resident individual; and

12 (2) nonresident and part-year resident individual with income from
13 sources in the state.

14 (b) As soon as practicable after September 30 of each year, the department
15 shall publish the applicable tax rate under this subsection for the following calendar
16 year. The applicable tax rate is:

17 **2.6** (1) ~~four~~ percent if, on September 30 of that year, the unaudited balance
18 in the budget reserve fund created by art. IX, sec. 17, Constitution of the State of
19 Alaska, was equal to or less than \$2,000,000,000;

20 (2) two percent if, on September 30 of that year, the unaudited balance
21 in the budget reserve fund created by art. IX, sec. 17, Constitution of the State of
22 Alaska, was more than \$2,000,000,000 but not more than \$2,500,000,000; or

23 (3) one percent if, on September 30 of that year, the unaudited balance
24 in the budget reserve fund created by art. IX, sec. 17, Constitution of the State of