

HOUSE BILL NO. 488

IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-SECOND LEGISLATURE - SECOND SESSION

BY REPRESENTATIVE CHENAULT

Introduced: 2/19/02

Referred: House Special Committee on Education, Health, Education and Social Services, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to an insurance tax credit for a gift to a school for math, science, and**
2 **technology; and providing for an effective date."**

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

4 *** Section 1.** AS 21.89 is amended by adding a new section to read:

5 **Sec. 21.89.077. Insurance tax credit for gifts to a school for the study of**
6 **math, science, and technology.** (a) For cash contributions prequalified under (d) of
7 this section and made for instruction at a school for the study of math, science, and
8 technology, a taxpayer is allowed a credit against the tax due under AS 21.09.210.

9 (b) The amount of the credit allowed to a taxpayer under (a) of this section is
10 the lesser of

11 (1) an amount equal to

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

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

14 (2) 50 percent of the taxpayer's tax liability under this title.

1 (c) A contribution claimed by a taxpayer as a credit under this section may not
 2 (1) be claimed as a credit under more than one provision of this title;
 3 (2) when combined with credits taken during the taxpayer's tax year
 4 under AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or
 5 AS 43.77.045, exceed \$150,000; or
 6 (3) be claimed as a credit unless the contribution qualifies for the credit
 7 under (d) of this section.

8 (d) A taxpayer may not claim a contribution as a credit under (a) of this
 9 section unless the taxpayer applies to the director for prequalification of the
 10 contribution as a tax credit and receives written notice from the director that the
 11 contribution prequalifies for the tax credit described under this section. The director
 12 shall allow prequalified tax credits for contributions under this section in the order that
 13 the director receives applications by taxpayers and may not provide notice of
 14 prequalification if the taxpayer's contribution would cause the total contributions made
 15 by all taxpayers during the calendar tax year to exceed \$900,000.

16 * **Sec. 2.** AS 43.20.014(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;
 19 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax
 20 imposed by this chapter; and
 21 (3) when combined with credits taken during the taxpayer's tax year
 22 under AS 21.89.070, 21.89.075, 21.89.077, AS 43.55.019, AS 43.56.018,
 23 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

24 * **Sec. 3.** AS 43.55.019(d) is amended to read:

25 (d) A contribution claimed as a credit under this section may not
 26 (1) be claimed as a credit under another provision of this title; and
 27 (2) when combined with credits taken during the taxpayer's tax year
 28 under AS 21.89.070, 21.89.075, 21.89.077, AS 43.20.014, AS 43.56.018,
 29 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

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

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

1 (1) be claimed as a credit under another provision of this title; and
 2 (2) when combined with credits taken during the taxpayer's tax year
 3 under AS 21.89.070, 21.89.075, 21.89.077, AS 43.20.014, AS 43.55.019,
 4 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

5 * **Sec. 5.** AS 43.65.018(d) is amended to read:

6 (d) A contribution claimed as a credit under this section may not
 7 (1) be claimed as a credit under another provision of this title; and
 8 (2) when combined with credits taken during the taxpayer's tax year
 9 under AS 21.89.070, 21.89.075, 21.89.077, AS 43.20.014, AS 43.55.019,
 10 [AS 43.65.018,] AS 43.75.018, or AS 43.77.045, exceed \$150,000.

11 * **Sec. 6.** AS 43.75.018(d) is amended to read:

12 (d) A contribution claimed as a credit under this section may not
 13 (1) be claimed as a credit under another provision of this title; and
 14 (2) when combined with credits taken during the taxpayer's tax year
 15 under AS 21.89.070, 21.89.075, 21.89.077, AS 43.20.014, AS 43.55.019,
 16 AS 43.56.018, [AS 43.75.018,] or AS 43.77.045, exceed \$150,000.

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

18 (c) A contribution claimed as a credit under this section may not
 19 (1) be claimed as a credit under another provision of this title; and
 20 (2) when combined with credits taken during the taxpayer's tax year
 21 under AS 21.89.070, 21.89.075, 21.89.077, AS 43.20.014, AS 43.55.019,
 22 AS 43.56.018, AS 43.65.018, or AS 43.75.018, exceed \$150,000.

23 * **Sec. 8.** This Act takes effect July 1, 2002.