

**CS FOR HOUSE BILL NO. 194(L&C)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE

Offered: 4/8/03

Referred: Finance

Sponsor(s): REPRESENTATIVES ANDERSON, Wilson, Harris, Foster, Seaton, Hawker, Holm, Wolf, Morgan, Whitaker, Masek, McGuire, Lynn

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act creating a tax credit under the Alaska Net Income Tax Act for contributions to**  
2 **regional development organizations; 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(c) is amended to read:

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

6 (1) be claimed as a credit under more than one provision of this title;

7 and

8 (2) when combined with credits taken during the taxpayer's tax year

9 under AS 21.89.075, AS 43.20.014, 43.20.019, AS 43.55.019, AS 43.56.018,

10 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

11 **\* Sec. 2.** AS 21.89.070(c) is amended to read:

12 (c) A contribution claimed as a credit under this section may not

13 (1) be claimed as a credit under more than one provision of this title;

14 and

1 (2) when combined with credits taken during the taxpayer's tax year  
 2 under AS 21.89.075, AS 43.20.014, [43.20.019,] AS 43.55.019, AS 43.56.018,  
 3 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

4 \* **Sec. 3.** AS 21.89.075(c) is amended to read:

5 (c) A contribution claimed by a taxpayer as a credit under this section may not

6 (1) be claimed as a credit under more than one provision of this title;

7 (2) when combined with credits taken during the taxpayer's tax year  
 8 under AS 21.89.070, AS 43.20.014, **43.20.019**, AS 43.55.019, AS 43.56.018,  
 9 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000; or

10 (3) be claimed as a credit unless the contribution qualifies for the credit  
 11 under (d) of this section.

12 \* **Sec. 4.** AS 21.89.075(c) is amended to read:

13 (c) A contribution claimed by a taxpayer as a credit under this section may not

14 (1) be claimed as a credit under more than one provision of this title;

15 (2) when combined with credits taken during the taxpayer's tax year  
 16 under AS 21.89.070, AS 43.20.014, [43.20.019,] AS 43.55.019, AS 43.56.018,  
 17 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000; or

18 (3) be claimed as a credit unless the contribution qualifies for the credit  
 19 under (d) of this section.

20 \* **Sec. 5.** AS 43.20.014(d) is amended to read:

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

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

23 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax  
 24 imposed by this chapter; and

25 (3) when combined with credits taken during the taxpayer's tax year  
 26 under AS 21.89.070, 21.89.075, **AS 43.20.019**, AS 43.55.019, AS 43.56.018,  
 27 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

28 \* **Sec. 6.** AS 43.20.014(d) is amended to read:

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

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

31 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax

1 imposed by this chapter; and

2 (3) when combined with credits taken during the taxpayer's tax year  
3 under AS 21.89.070, 21.89.075, [AS 43.20.019,] AS 43.55.019, AS 43.56.018,  
4 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

5 \* **Sec. 7.** AS 43.20 is amended by adding a new section to read:

6 **Sec. 43.20.019. Regional development organization tax credit.** (a) For  
7 cash contributions accepted for direct operation of a regional development  
8 organization a taxpayer is allowed a tax credit equal to the amount of the contribution,  
9 not to exceed \$10,000. For purposes of this subsection, "regional development  
10 organization" means a nonprofit organization or nonprofit corporation that

11 (1) was formed to encourage economic development within a  
12 particular region of the state that includes the entire area of each municipality within  
13 that region;

14 (2) has a board of directors that represents the region's economic,  
15 political and social interests; and

16 (3) has been designated by the Department of Community and  
17 Economic Development as a regional development organization.

18 (b) A contribution claimed as a credit under this section may not

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

20 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax  
21 imposed by this chapter; and

22 (3) when combined with credits taken during the taxpayer's tax year  
23 under AS 21.89.070, 21.89.075, AS 43.20.014, AS 43.55.019, AS 43.56.018,  
24 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

25 \* **Sec. 8.** AS 43.55.019(d) is amended to read:

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

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

28 (2) when combined with credits taken during the taxpayer's tax year  
29 under AS 21.89.070, 21.89.075, AS 43.20.014, **43.20.019,** AS 43.56.018,  
30 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

31 \* **Sec. 9.** AS 43.55.019(d) is amended to read:

1 (d) A contribution claimed as a credit under this section may not  
 2 (1) be claimed as a credit under another provision of this title; and  
 3 (2) when combined with credits taken during the taxpayer's tax year  
 4 under AS 21.89.070, 21.89.075, AS 43.20.014, [43.20.019,] AS 43.56.018,  
 5 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

6 \* **Sec. 10.** AS 43.56.018(d) is amended to read:

7 (d) A contribution claimed as a credit under this section may not  
 8 (1) be claimed as a credit under another provision of this title; and  
 9 (2) when combined with credits taken during the taxpayer's tax year  
 10 under AS 21.89.070, 21.89.075, AS 43.20.014, **43.20.019,** AS 43.55.019,  
 11 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

12 \* **Sec. 11.** AS 43.56.018(d) is amended to read:

13 (d) A contribution claimed as a credit under this section may not  
 14 (1) be claimed as a credit under another provision of this title; and  
 15 (2) when combined with credits taken during the taxpayer's tax year  
 16 under AS 21.89.070, 21.89.075, AS 43.20.014, [43.20.019,] AS 43.55.019,  
 17 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

18 \* **Sec. 12.** AS 43.65.018(d) is amended to read:

19 (d) A contribution claimed as a credit under this section may not  
 20 (1) be claimed as a credit under another provision of this title; and  
 21 (2) when combined with credits taken during the taxpayer's tax year  
 22 under AS 21.89.070, 21.89.075, AS 43.20.014, **43.20.019,** AS 43.55.019,  
 23 AS 43.56.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

24 \* **Sec. 13.** AS 43.65.018(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, AS 43.20.014, [43.20.019,] AS 43.55.019,  
 29 AS 43.56.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

30 \* **Sec. 14.** AS 43.75.018(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, AS 43.20.014, 43.20.019, AS 43.55.019,  
 4 AS 43.56.018, AS 43.65.018, or AS 43.77.045, exceed \$150,000.

5 \* **Sec. 15.** AS 43.75.018(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, AS 43.20.014, [43.20.019,] AS 43.55.019,  
 10 AS 43.56.018, AS 43.65.018, or AS 43.77.045, exceed \$150,000.

11 \* **Sec. 16.** AS 43.77.045(c) is amended to read:

12 (c) 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, AS 43.20.014, 43.20.019, AS 43.55.019,  
 16 AS 43.56.018, AS 43.65.018, or AS 43.75.018, exceed \$150,000.

17 \* **Sec. 17.** 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, AS 43.20.014, [43.20.019,] AS 43.55.019,  
 22 AS 43.56.018, AS 43.65.018, or AS 43.75.018, exceed \$150,000.

23 \* **Sec. 18.** AS 43.20.019 is repealed.

24 \* **Sec. 19.** The uncodified law of the State of Alaska is amended by adding a new section to  
 25 read:

26 REVISOR INSTRUCTION. In the event that sec. 28, ch. 46, SLA 2002, is amended  
 27 to extend the sunset date of that Act, the revisor of statutes shall reconcile that Act with this  
 28 Act.

29 \* **Sec. 20.** Sections 1, 3, 5, 7, 8, 10, 12, 14, 16, and 19 of this Act take effect July 1, 2003.

30 \* **Sec. 21.** Sections 2, 4, 6, 9, 11, 13, 15, 17, and 18 of this Act take effect July 1, 2005.