

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

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE LABOR AND COMMERCE COMMITTEE

Offered: 5/9/03

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 21.89.075(c) is amended to read:

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

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

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

1 under AS 21.89.070, AS 43.20.014, **43.20.019**, AS 43.55.019, AS 43.56.018,  
2 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000; or

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

5 \* **Sec. 3.** AS 43.20.014(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;

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

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

13 \* **Sec. 4.** AS 43.20 is amended by adding a new section to read:

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

19 (1) was formed to encourage economic development within a  
20 particular region of the state that includes the entire area of each municipality within  
21 that region;

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

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

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

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

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, AS 43.55.019, AS 43.56.018,  
30 AS 43.65.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

31 \* **Sec. 5.** 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. 6.** 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. 7.** AS 43.65.018(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 43.56.018, AS 43.75.018, or AS 43.77.045, exceed \$150,000.

18 \* **Sec. 8.** AS 43.75.018(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 43.65.018, or AS 43.77.045, exceed \$150,000.

24 \* **Sec. 9.** AS 43.77.045(c) is amended to read:

25 (c) 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 43.65.018, or AS 43.75.018, exceed \$150,000.

30 \* **Sec. 10.** The uncodified law of the State of Alaska is amended by adding a new section to  
 31 read:

1 REVISOR INSTRUCTION. In the event that sec. 28, ch. 46, SLA 2002, is amended  
2 to extend the sunset date of that Act, the revisor of statutes shall reconcile that Act with this  
3 Act.  
4 \* **Sec. 11.** This Act takes effect July 1, 2003.