

HOUSE BILL NO. 235

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FOURTH LEGISLATURE - FIRST SESSION

BY THE HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 3/29/05

Referred: House Special Committee on Ways and Means, Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act excepting from the Alaska Net Income Tax Act the federal deduction regarding**
2 **income attributable to certain domestic production activities; and providing for an**
3 **effective date."**

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

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

6 **Sec. 43.20.022. Exception to federal domestic production activities income**
7 **deduction.** (a) Notwithstanding any other provision of this chapter, this chapter
8 excepts to and does not adopt 26 U.S.C. 199 (Internal Revenue Code).

9 (b) In computing a net operating loss or a net capital loss for purposes of
10 applying the loss to another tax year as provided in this chapter, the computation shall
11 be determined without regard to the deduction allowed for federal income tax
12 purposes under 26 U.S.C. 199 (Internal Revenue Code).

13 * **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

1 APPLICABILITY. Section 1 of this Act applies to tax years beginning on or after
2 January 1, 2005.
3 * **Sec. 3.** This Act takes effect immediately under AS 01.10.070(c).