



AMENDMENT #2

OFFERED IN THE HOUSE  
TO: HCS CSSB 23(RLS)

By REPRESENTATIVES  
COSTELLO  
CHENAULT  
Pruitt  
T Wilson

1 Page 1, line 1, following "credits;": (title amendment)

2 Insert "exempting certain small businesses from the corporate income tax;" *Seaton*

3

4 Page 6, following line 19:

5 Insert new bill sections to read:

6 \*\* Sec. 6. AS 43.20.012 is amended to read:

7 Sec. 43.20.012. Limitation on application of chapter; credits. (a) The tax *FEIGE*  
8 imposed by this chapter does not

9 (1) apply to an individual;

10 (2) apply to a fiduciary; or

11 (3) for a tax year beginning after December 31, 2012, apply to an

12 Alaska corporation that is a qualified small business and that meets the active

13 business requirement in 26 U.S.C. 1202(e) as that subsection read on January 1,

14 2012 [APPLY TO INDIVIDUALS OR TO FIDUCIARIES].

15 (b) An [HOWEVER, AN] individual may file a return under this chapter in  
16 order to receive a tax credit under AS 43.20.013.

17 \* Sec. 7. AS 43.20.012 is amended by adding new subsections to read:

18 (c) For the purposes of (a)(3) of this section,

19 (1) whether a corporation qualifies under (a)(3) of this section shall be  
20 determined on the first day of the tax year for which the corporation claims it qualifies  
21 under (a)(3) of this section;

22 (2) all corporations that are members of the same parent-subsiary  
23 controlled group shall be treated as one corporation.

*Mañoz*  
*P. Wilson*  
*John*  
*HERRON*  
*FEIGE*  
*Hawker*  
*SADLER*  
*OLSON*  
*Dick*  
*Edgman*  
*Johnson*  
*Thompson*  
*Austerman*  
*Keller*  
*Lynn*  
*Foster*  
*Fairclough*  
~~*[Signature]*~~  
*Thomson*

1 (d) In this section,

2 (1) "Alaska corporation" means a corporation that has been  
3 incorporated in the state or is authorized to do business in the state;

4 (2) "parent-subsiary controlled group" has the meaning given in 26  
5 U.S.C. 1202 as that section read on January 1, 2012;

6 (3) "qualified small business" has the meaning given in 26 U.S.C. 1202  
7 as that section read on January 1, 2012, and does not include a construction,  
8 transportation, utility, or fisheries business.

9 \* **Sec. 8.** AS 43.20.012 is repealed and reenacted to read:

10 **Sec. 43.20.012. Limitation on application of chapter; credits.** The tax  
11 imposed by this chapter does not apply to individuals or to fiduciaries. However, an  
12 individual may file a return under this chapter to receive a tax credit under  
13 AS 43.20.013."  
14

15 Renumber the following bill sections accordingly.

16  
17 Page 35, line 2:

18 Delete "sec. 25"

19 Insert "sec. 28"  
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22 Page 35, line 5:

23 Delete "sec. 23"

24 Insert "sec. 26"

25 Delete "secs. 28 and 29"

26 Insert "secs. 31 and 32"  
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29 Page 35, line 8:

30 Delete "secs. 28 and 29"

31 Insert "secs. 31 and 32"

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Page 35, line 9:

Delete "sec. 25"

Insert "sec. 28"

Page 35, line 11:

Delete "sec. 21"

Insert "sec. 24"

Page 35, lines 12 - 13:

Delete "sec. 19"

Insert "sec. 22"

Page 35, line 14:

Delete "sec. 28"

Insert "sec. 31"

Page 35, line 16:

Delete "sec. 25"

Insert "sec. 28"

Page 35, line 17:

Delete "sec. 28"

Insert "sec. 31"

Page 35, line 21:

Delete "sec. 23"

Insert "sec. 26"

Page 35, line 23:

Delete "sec. 25"

- 1           Insert "sec. 28"
- 2
- 3   Page 35, lines 29 - 30:
- 4           Delete "secs. 1 and 19 - 24"
- 5           Insert "secs. 1 and 20 - 30"
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- 7   Page 35, line 30:
- 8           Delete "secs. 1 and 17 - 22"
- 9           Insert "secs. 1 and 20 - 30"
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- 11   Page 36, line 2:
- 12           Delete "Section 28"
- 13           Insert "Section 31"
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- 15   Page 36, line 6:
- 16           Delete "sec. 34"
- 17           Insert "sec. 37"
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- 19   Page 36, line 7:
- 20           Delete "Section 29"
- 21           Insert "Section 32"
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- 24   Page 36, line 11:
- 25           Delete "sec. 34"
- 26           Insert "sec. 37"
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- 28   Page 36, line 12:
- 29           Delete "Section 30"
- 30           Insert "Section 33"
- 31

1 Page 36, line 13:

2 Delete "Sections 1 and 17 - 36"

3 Insert "Sections 1 and 20 - 39"

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5 Page 36, following line 13:

6 Insert new bill sections to read:

7 **\*\* Sec. 44.** Sections 6 and 7 of this Act take effect July 1, 2012.

8 **\* Sec. 45.** Section 8 of this Act takes effect July 1, 2023"

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10 Renumber the following bill sections accordingly.

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12 Page 36, line 14:

13 Delete "Sections 7 - 12, 15, and 16"

14 Insert "Sections 10 - 15, 18, and 19"

15

16 Page 36, line 15:

17 Delete "secs. 37 - 41"

18 Insert "secs. 40 - 46"