

CS FOR HOUSE BILL NO. 233(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 4/11/18

Referred: Rules

Sponsor(s): REPRESENTATIVES TUCK, Millett, Kawasaki, Grenn, Spohnholz, Drummond, Saddler, Kopp, Birch, Josephson

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the insurance tax education credit, the income tax education credit,**
2 **the oil or gas producer education credit, the property tax education credit, the mining**
3 **business education credit, the fisheries business education credit, and the fisheries**
4 **resource landing tax education credit; providing for an effective date by repealing the**
5 **effective dates of secs. 3, 5, 7, 10, 14, 16, 18, 21, 23, 25, 28, 30, 32, 35, 37, 39, 42, 44, 46, 49,**
6 **51, 53, and 55, ch. 92, SLA 2010, sec. 14, ch. 7, FSSLA 2011, secs. 15, 17, 19, 21, 23, and**
7 **25, ch. 74, SLA 2012, sec. 49, ch. 14, SLA 2014, secs. 37, 40, 43, and 46, ch. 15, SLA 2014,**
8 **and secs. 26 and 31, ch. 61, SLA 2014; providing for an effective date by amending the**
9 **effective date of secs. 1, 2, and 21, ch. 61, SLA 2014; and providing for an effective**
10 **date."**

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

12 * **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section

1 to read:

2 LEGISLATIVE FINDINGS AND INTENT. (a) The legislature finds that,

3 (1) under sec. 37, ch. 61, SLA 2014, the education tax credits are scheduled to
4 be repealed December 31, 2018;

5 (2) under ch. 92, SLA 2010, the education tax credits were scheduled both to
6 decrease in dollar value and to narrow in scope on January 1, 2014;

7 (3) under sec. 15, ch. 7, FSSLA 2011, the effective date of the scheduled
8 reductions in ch. 92, SLA 2010, have been extended from January 1, 2014, to January 1,
9 2021.

10 (b) It is the intent of the legislature in enacting this Act to

11 (1) extend the effective date for the repeal of the education tax credits from
12 December 31, 2018, to January 1, 2025; and

13 (2) repeal the decrease in dollar value and the narrowing in scope of the
14 education tax credits that are currently scheduled to take place on January 1, 2021.

15 (c) It is the intent of the legislature that, under this Act, the education tax credits
16 remain as they will appear on the effective date of secs. 2 - 4 of this Act, until they are
17 repealed January 1, 2025.

18 * **Sec. 2.** AS 21.96.070(a) is amended to read:

19 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
20 AS 21.66.110 for cash contributions accepted

21 (1) for direct instruction, research, and educational support purposes,
22 including library and museum acquisitions, and contributions to endowment, by an
23 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
24 four-year college accredited by a regional accreditation association;

25 (2) for secondary school level vocational education courses, programs,
26 and facilities by a school district in the state;

27 (3) for vocational education courses, programs, and facilities by a
28 state-operated vocational technical education and training school;

29 (4) for a facility [OR AN ANNUAL INTERCOLLEGIATE SPORTS
30 TOURNAMENT] by a nonprofit, public or private, Alaska two-year or four-year
31 college accredited by a regional accreditation association;

1 (5) for Alaska Native cultural or heritage programs and educational
 2 support, including mentoring and tutoring, provided by a nonprofit agency for public
 3 school staff and for students who are in grades kindergarten through 12 in the state;
 4 and

5 (6) for education, research, rehabilitation, and facilities by an
 6 institution that is located in the state and that qualifies as a coastal ecosystem learning
 7 center under the Coastal America Partnership established by the federal government.

8 * **Sec. 3.** AS 43.55.019(a) is amended to read:

9 (a) A producer of oil or gas is allowed a credit against the tax levied by
 10 AS 43.55.011(e) for cash contributions accepted for

11 (1) direct instruction, research, and educational support purposes,
 12 including library and museum acquisitions, and contributions to endowment, by an
 13 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
 14 four-year college accredited by a regional accreditation association;

15 (2) secondary school level vocational education courses, programs, and
 16 facilities by a school district in the state;

17 (3) vocational education courses, programs, equipment, and facilities
 18 by a state-operated vocational technical education and training school, a nonprofit
 19 regional training center recognized by the Department of Labor and Workforce
 20 Development, and an apprenticeship program in the state that is registered with the
 21 United States Department of Labor under 29 U.S.C. 50 - 50b (National Apprenticeship
 22 Act);

23 (4) a facility [OR AN ANNUAL INTERCOLLEGIATE SPORTS
 24 TOURNAMENT] by a nonprofit, public or private, Alaska two-year or four-year
 25 college accredited by a regional accreditation association;

26 (5) Alaska Native cultural or heritage programs and educational
 27 support, including mentoring and tutoring, provided by a nonprofit agency for public
 28 school staff and for students who are in grades kindergarten through 12 in the state;

29 (6) education, research, rehabilitation, and facilities by an institution
 30 that is located in the state and that qualifies as a coastal ecosystem learning center
 31 under the Coastal America Partnership established by the federal government; and

1 (7) the Alaska higher education investment fund under AS 37.14.750.

2 * **Sec. 4.** AS 43.56.018(a) is amended to read:

3 (a) The owner of property taxable under this chapter is allowed a credit
4 against the tax due under this chapter for cash contributions accepted for

5 (1) direct instruction, research, and educational support purposes,
6 including library and museum acquisitions, and contributions to endowment, by an
7 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
8 four-year college accredited by a regional accreditation association;

9 (2) secondary school level vocational education courses, programs, and
10 facilities by a school district in the state;

11 (3) vocational education courses, programs, and facilities by a state-
12 operated vocational technical education and training school;

13 (4) a facility [OR AN ANNUAL INTERCOLLEGIATE SPORTS
14 TOURNAMENT] by a nonprofit, public or private, Alaska two-year or four-year
15 college accredited by a regional accreditation association;

16 (5) Alaska Native cultural or heritage programs and educational
17 support, including mentoring and tutoring, provided by a nonprofit agency for public
18 school staff and for students who are in grades kindergarten through 12 in the state;

19 (6) education, research, rehabilitation, and facilities by an institution
20 that is located in the state and that qualifies as a coastal ecosystem learning center
21 under the Coastal America Partnership established by the federal government; and

22 (7) the Alaska higher education investment fund under AS 37.14.750.

23 * **Sec. 5.** Sections 3, 5, 7, 10, 14, 16, 18, 21, 23, 25, 28, 30, 32, 35, 37, 39, 42, 44, 46, 49,
24 51, 53, and 55, ch. 92, SLA 2010, sec. 14, ch. 7, FSSLA 2011, secs. 15, 17, 19, 21, 23, and
25 25, ch. 74, SLA 2012, sec. 49, ch. 14, SLA 2014, secs. 37, 40, 43, and 46, ch. 15, SLA 2014,
26 and secs. 26 and 31, ch. 61, SLA 2014, are repealed.

27 * **Sec. 6.** Section 57, ch. 92, SLA 2010, sec. 15, ch. 7, FSSLA 2011, sec. 32, ch. 74, SLA
28 2012, sec. 82, ch. 14, SLA 2014, and sec. 61, ch. 15, SLA 2014, are repealed.

29 * **Sec. 7.** Section 37, ch. 61, SLA 2014, is amended to read:

30 Sec. 37. Sections 1, 2, **and** [15, 18,] 21 [, 24, 26, AND 31] of this Act take
31 effect **January 1, 2025** [DECEMBER 31, 2018].

1 * **Sec. 8.** Sections 2 - 4 of this Act take effect January 1, 2019.

2 * **Sec. 9.** Except as provided in sec. 8 of this Act, this Act takes effect immediately under

3 AS 01.10.070(c).