

AMENDMENT #1

OFFERED IN THE HOUSE
TO: HB 144

BY REPRESENTATIVE EASTMAN

1 Page 1, lines 1 - 2: (title amendment)

2 Delete "by repealing the effective date of secs. 1, 2, and 21, ch. 61, SLA 2014"

3

4 Page 1, lines 4 - 6:

5 Delete all material and insert:

6 "* Section 1. AS 21.06.110 is amended to read:

7 Sec. 21.06.110. Director's annual report. As early in each calendar year as is
8 reasonably possible, the director shall prepare and deliver an annual report to the
9 commissioner, who shall notify the legislature that the report is available, showing,
10 with respect to the preceding calendar year,

11 (1) a list of the authorized insurers transacting insurance in this state,
12 with a summary of their financial statement as the director considers appropriate;

13 (2) the name of each insurer whose certificate of authority was
14 surrendered, suspended, or revoked during the year and the cause of surrender,
15 suspension, or revocation;

16 (3) the name of each insurer authorized to do business in this state
17 against which delinquency or similar proceedings were instituted and, if against an
18 insurer domiciled in this state, a concise statement of the facts with respect to each
19 proceeding and its present status;

20 (4) a statement in regard to examination of rating organizations,
21 advisory organizations, joint underwriters, and joint reinsurers as required by
22 AS 21.39.120;

23 (5) the receipt and expenses of the division for the year;

1 (6) recommendations of the director as to amendments or
2 supplementation of laws affecting insurance or the office of director;

3 (7) statistical information regarding health insurance, including the
4 number of individual and group policies sold or terminated in the state; this paragraph
5 does not authorize the director to require an insurer to release proprietary information;

6 (8) the annual percentage of health claims paid in the state that meets
7 the requirements of AS 21.36.495(a) and (d);

8 (9) the total amount of contributions reported and the total
9 amount of credit claimed under AS 21.96.071 [REPEALED];

10 (10) the total number of public comments received and the director's
11 efforts, to the extent allowable by law, to improve or maintain public access to
12 information on individual health insurance rate filings before they become effective;
13 and

14 (11) other pertinent information and matters the director considers
15 proper.

16 * **Sec. 2.** AS 21.09.210 is amended by adding a new subsection to read:

17 (q) The provisions of AS 21.96.071 apply to a taxpayer who is required to pay
18 a tax due under this section.

19 * **Sec. 3.** AS 21.66.110 is amended by adding a new subsection to read:

20 (d) The provisions of AS 21.96.071 apply to a taxpayer who is required to pay
21 the tax due under this section.

22 * **Sec. 4.** AS 21.96 is amended by adding a new section to read:

23 **Sec. 21.96.071. Insurance tax education credit.** (a) A taxpayer is allowed a
24 credit against the tax due under AS 21.09.210 or AS 21.66.110 for contributions of
25 cash or equipment accepted

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

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

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

3 (4) for a facility by a nonprofit, public or private, Alaska two-year or
4 four-year college accredited by a national or regional accreditation association;

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

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

12 (b) The amount of the credit is 50 percent of contributions.

13 (c) Each public college and university shall include in its annual operating
14 budget request contributions received and how the contributions were used.

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

16 (1) be the basis for a credit claimed under another provision of this
17 title; and

18 (2) when combined with contributions that are the basis for credits
19 taken during the taxpayer's tax year under AS 43.20.019, AS 43.55.022,
20 AS 43.56.021, AS 43.65.021, AS 43.75.021, or AS 43.77.047, result in the total
21 amount of credits exceeding \$1,000,000; if the taxpayer is a member of an affiliated
22 group, then the total amount of credits may not exceed \$1,000,000 for the affiliated
23 group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

24 (e) The credit under this section may not reduce a person's tax liability under
25 AS 21.09.210 or AS 21.66.110 to below zero for any tax year. An unused credit or
26 portion of a credit not used under this section for a tax year may not be sold, traded,
27 transferred, or applied in a subsequent tax year.

28 (f) In this section,

29 (1) "school district" means a borough school district, a city school
30 district, a regional educational attendance area, or a state boarding school;

31 (2) "vocational education" has the meaning given in AS 43.20.019.

1 * **Sec. 5.** AS 43.05.010 is amended to read:

2 **Sec. 43.05.010. Duties of commissioner.** The commissioner of revenue shall

3 (1) exercise general supervision and direct the activities of the
4 Department of Revenue;

5 (2) supervise the fiscal affairs and responsibilities of the department;

6 (3) prescribe uniform rules for investigations and hearings;

7 (4) keep a record of all departmental proceedings, record and file all
8 bonds, and assume custody of returns, reports, papers, and documents of the
9 department;

10 (5) adopt a seal and affix it to each order, process, or certificate issued
11 by the commissioner;

12 (6) keep a record of each order, process, and certificate issued by the
13 commissioner, and keep the record open to public inspection at all reasonable times;

14 (7) hold hearings and investigations necessary for the administration of
15 state tax and revenue laws;

16 (8) except as provided in AS 43.05.405 - 43.05.499 and in
17 AS 44.64.030, hear and determine appeals of a matter within the jurisdiction of the
18 Department of Revenue and enter orders on the appeals that are final unless reversed
19 or modified by the courts;

20 (9) issue subpoenas to require the attendance of witnesses and the
21 production of necessary books, papers, documents, correspondence, and other things;

22 (10) order the taking of depositions before a person competent to
23 administer oaths;

24 (11) administer oaths and take acknowledgments;

25 (12) request the attorney general for rulings on the interpretation of the
26 tax and revenue laws administered by the department;

27 (13) call on [UPON] the attorney general to institute actions for
28 recovery of unpaid taxes, fees, excises, additions to tax, penalties, and interest;

29 (14) issue warrants for the collection of unpaid tax penalties and
30 interest and take all steps necessary and proper to enforce full and complete
31 compliance with the tax, license, excise, and other revenue laws of the state;

1 (15) report to the legislature before February 15 of each year the
 2 total amount of contributions reported and the total amount of credit claimed
 3 during the previous calendar year under AS 43.20.019, AS 43.55.022,
 4 AS 43.56.021, AS 43.65.021, AS 43.75.021, and AS 43.77.047 [REPEALED];

5 (16) consult with the commissioner of natural resources on negotiation
 6 of contracts and development of terms for inclusion in proposed contracts associated
 7 with a North Slope natural gas project;

8 (17) direct the disposition of revenue received from gas delivered to
 9 the state under AS 43.55.014(b) by entering into agreements with the commissioner of
 10 natural resources related to the management of the custody and disposition of gas
 11 delivered to the state under AS 43.55.014(b).

12 * **Sec. 6.** AS 43.20 is amended by adding a new section to read:

13 **Sec. 43.20.019. Income tax education credit.** (a) A taxpayer is allowed a
 14 credit against the tax due under this chapter for contributions of cash or equipment
 15 accepted for

16 (1) direct instruction, research, and educational support purposes,
 17 including library and museum acquisitions, and contributions to endowment, by an
 18 Alaska university foundation, by a nonprofit, public or private, Alaska two-year or
 19 four-year college accredited by a national or regional accreditation association, or by a
 20 public or private nonprofit elementary or secondary school in the state;

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

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

29 (4) a facility by a nonprofit, public or private, Alaska two-year or four-
 30 year college accredited by a national or regional accreditation association or by a
 31 public or private nonprofit elementary or secondary school in the state;

1 (5) 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 (6) education, research, rehabilitation, and facilities by an institution
5 that is located in the state and that qualifies as a coastal ecosystem learning center
6 under the Coastal America Partnership established by the federal government;

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

8 (8) funding a scholarship awarded by a nonprofit organization to a
9 dual-credit student to defray the cost of a dual-credit course, including the cost of

10 (A) tuition and textbooks;

11 (B) registration, course, and programmatic student fees;

12 (C) on-campus room and board at the postsecondary institution
13 in the state that provides the dual-credit course;

14 (D) transportation costs to and from a residential school
15 approved by the Department of Education and Early Development under
16 AS 14.16.200 or the postsecondary school in the state that provides the dual-
17 credit course; and

18 (E) other related educational and programmatic costs;

19 (9) constructing, operating, or maintaining a residential housing
20 facility by a residential school in the state approved by the Department of Education
21 and Early Development under AS 14.16.200;

22 (10) childhood early learning and development programs and
23 educational support to childhood early learning and development programs provided
24 by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school
25 district in the state, by the Department of Education and Early Development, or
26 through a state grant;

27 (11) science, technology, engineering, and math programs provided by
28 a nonprofit agency or a school district for school staff and for students in grades
29 kindergarten through 12 in the state; and

30 (12) the operation of a nonprofit organization dedicated to providing
31 educational opportunities that promote the legacy of public service contributions to the

1 state and perpetuate ongoing educational programs that foster public service
2 leadership for future generations of residents of the state.

3 (b) The amount of the credit is 50 percent of contributions.

4 (c) Each public college and university shall include in its annual operating
5 budget request contributions received and how the contributions were used.

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

7 (1) be the basis for a credit claimed under another provision of this
8 title;

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

11 (3) when combined with contributions that are the basis for credits
12 taken during the taxpayer's tax year under AS 21.96.071, AS 43.55.022,
13 AS 43.56.021, AS 43.65.021, AS 43.75.021, or AS 43.77.047, result in the total
14 amount of credits exceeding \$1,000,000; if the taxpayer is a member of an affiliated
15 group, then the total amount of credits may not exceed \$1,000,000 for the affiliated
16 group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

17 (e) The credit under this section may not reduce a person's tax liability under
18 this chapter to below zero for any tax year. An unused credit or portion of a credit not
19 used under this section for a tax year may not be sold, traded, transferred, or applied in
20 a subsequent tax year.

21 (f) To qualify for a credit under this section, equipment must be appraised
22 consistent with regulations adopted by the department to determine the value of the
23 contribution for purposes of this section.

24 (g) In this section,

25 (1) "dual-credit student" means a secondary level student in the state
26 who simultaneously earns college and high school credit for a course;

27 (2) "nonprofit organization" means a charitable or educational
28 organization in the state that is exempt from taxation under 26 U.S.C. 501(c)(3)
29 (Internal Revenue Code);

30 (3) "school district" means a borough school district, a city school
31 district, a regional educational attendance area, or a state boarding school;

1 (4) "vocational education" means organized educational activities that
 2 offer a sequence of courses that provides individuals with the academic and technical
 3 knowledge and skills the individuals need to prepare for further education and for
 4 careers other than careers requiring a baccalaureate, master's, or doctoral degree.

5 * Sec. 7. AS 43.55 is amended by adding a new section to read:

6 **Sec. 43.55.022. Oil or gas producer education credit.** (a) A producer of oil
 7 or gas is allowed a credit against the tax levied by AS 43.55.011(e) for contributions
 8 of cash or equipment accepted for

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

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

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

21 (4) a facility by a nonprofit, public or private, Alaska two-year or four-
 22 year college accredited by a national or regional accreditation association;

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

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

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

30 (b) The amount of the credit is 50 percent of contributions.

31 (c) Each public college and university shall include in its annual operating

1 budget request contributions received and how the contributions were used.

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

3 (1) be the basis for a credit claimed under another provision of this
4 title; and

5 (2) when combined with contributions that are the basis for credits
6 taken during the taxpayer's tax year under AS 21.96.071, AS 43.20.019,
7 AS 43.56.021, AS 43.65.021, AS 43.75.021, or AS 43.77.047, result in the total
8 amount of credits exceeding \$1,000,000; if the taxpayer is a member of an affiliated
9 group, then the total amount of credits may not exceed \$1,000,000 for the affiliated
10 group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

11 (e) The credit under this section may not reduce a person's tax liability under
12 AS 43.55.011(e) to below zero for any tax year. An unused credit or portion of a credit
13 not used under this section for a tax year may not be sold, traded, transferred, or
14 applied in a subsequent tax year.

15 (f) The department may, by regulation, establish procedures by which a
16 taxpayer may allocate a pro rata share of a credit claimed under this section against
17 monthly tax payments made during the tax year.

18 (g) To qualify for a credit under this section, equipment must be appraised
19 consistent with regulations adopted by the department to determine the value of the
20 contribution for purposes of this section.

21 (h) In this section,

22 (1) "school district" has the meaning given in AS 43.20.019(g);

23 (2) "vocational education" has the meaning given in AS 43.20.019(g).

24 * **Sec. 8.** AS 43.56 is amended by adding a new section to read:

25 **Sec. 43.56.021. Property tax education credit.** (a) The owner of property
26 taxable under this chapter is allowed a credit against the tax due under this chapter for
27 contributions of cash or equipment accepted for

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

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

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

5 (4) a facility by a nonprofit, public or private, Alaska two-year or four-
6 year college accredited by a national or regional accreditation association;

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

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

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

14 (b) The amount of the credit is 50 percent of contributions.

15 (c) Each public college and university shall include in its annual operating
16 budget request contributions received and how the contributions were used.

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

18 (1) be the basis for a credit claimed under another provision of this
19 title; and

20 (2) when combined with contributions that are the basis for credits
21 taken during the taxpayer's tax year under AS 21.96.071, AS 43.20.019,
22 AS 43.55.022, AS 43.65.021, AS 43.75.021, or AS 43.77.047, result in the total
23 amount of credits exceeding \$1,000,000; if the taxpayer is a member of an affiliated
24 group, then the total amount of credits may not exceed \$1,000,000 for the affiliated
25 group; in this paragraph, "affiliated group" has the meaning given in AS 43.20.145.

26 (e) The credit under this section may not reduce a person's tax liability under
27 this chapter to below zero for any tax year. An unused credit or portion of a credit not
28 used under this section for a tax year may not be sold, traded, transferred, or applied in
29 a subsequent tax year.

30 (f) To qualify for a credit under this section, equipment must be appraised
31 consistent with regulations adopted by the department to determine the value of the

1 contribution for purposes of this section.

2 (g) In this section,

3 (1) "school district" has the meaning given in AS 43.20.019(g);

4 (2) "vocational education" has the meaning given in AS 43.20.019(g).

5 * **Sec. 9.** AS 43.65 is amended by adding a new section to read:

6 **Sec. 43.65.021. Mining business education credit.** (a) A person engaged in
7 the business of mining in the state is allowed a credit against the tax due under this
8 chapter for contributions of cash or equipment accepted for

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

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

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

18 (4) a facility by a nonprofit, public or private, Alaska two-year or four-
19 year college accredited by a national or regional accreditation association or by a
20 public or private nonprofit elementary or secondary school in the state;

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

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

27 (7) the Alaska higher education investment fund under AS 37.14.750;

28 (8) funding a scholarship awarded by a nonprofit organization to a
29 dual-credit student to defray the cost of a dual-credit course, including the cost of

30 (A) tuition and textbooks;

31 (B) registration, course, and programmatic student fees;

1 (C) on-campus room and board at the postsecondary institution
2 in the state that provides the dual-credit course;

3 (D) transportation costs to and from a residential school
4 approved by the Department of Education and Early Development under
5 AS 14.16.200 or the postsecondary school in the state that provides the dual-
6 credit course; and

7 (E) other related educational and programmatic costs;

8 (9) constructing, operating, or maintaining a residential housing
9 facility by a residential school approved by the Department of Education and Early
10 Development under AS 14.16.200;

11 (10) childhood early learning and development programs and
12 educational support to childhood early learning and development programs provided
13 by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school
14 district in the state, by the Department of Education and Early Development, or
15 through a state grant;

16 (11) science, technology, engineering, and math programs provided by
17 a nonprofit agency or a school district for school staff and for students in grades
18 kindergarten through 12 in the state; and

19 (12) the operation of a nonprofit organization dedicated to providing
20 educational opportunities that promote the legacy of public service contributions to the
21 state and perpetuate ongoing educational programs that foster public service
22 leadership for future generations of residents of the state.

23 (b) The amount of the credit is 50 percent of contributions.

24 (c) Each public college and university shall include in its annual operating
25 budget request contributions received and how the contributions were used.

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

27 (1) be the basis for a credit claimed under another provision of this
28 title; and

29 (2) when combined with contributions that are the basis for credits
30 taken during the taxpayer's tax year under AS 21.96.071, AS 43.20.019,
31 AS 43.55.022, AS 43.56.021, AS 43.75.021, or AS 43.77.047, result in the total

1 amount of the credits exceeding \$1,000,000; if the taxpayer is a member of an
 2 affiliated group, then the total amount of credits may not exceed \$1,000,000 for the
 3 affiliated group; in this paragraph, "affiliated group" has the meaning given in
 4 AS 43.20.145.

5 (e) The credit under this section may not reduce a person's tax liability under
 6 this chapter to below zero for any tax year. An unused credit or portion of a credit not
 7 used under this section for a tax year may not be sold, traded, transferred, or applied in
 8 a subsequent tax year.

9 (f) To qualify for a credit under this section, equipment must be appraised
 10 consistent with regulations adopted by the department to determine the value of the
 11 contribution for purposes of this section.

12 (g) In this section,

13 (1) "dual-credit student" means a secondary level student in the state
 14 who simultaneously earns college and high school credit for a course;

15 (2) "nonprofit organization" means a charitable or educational
 16 organization in the state that is exempt from taxation under 26 U.S.C. 501(c)(3)
 17 (Internal Revenue Code);

18 (3) "school district" has the meaning given in AS 43.20.019(g);

19 (4) "vocational education" has the meaning given in AS 43.20.019(g).

20 * **Sec. 10.** AS 43.75 is amended by adding a new section to read:

21 **Sec. 43.75.021. Fisheries business education credit.** (a) A person engaged in
 22 a fisheries business is allowed a credit against the tax due under this chapter for
 23 contributions of cash or equipment accepted for

24 (1) direct instruction, research, and educational support purposes,
 25 including library and museum acquisitions, and contributions to endowment, by an
 26 Alaska university foundation, by a nonprofit, public or private, Alaska two-year or
 27 four-year college accredited by a national or regional accreditation association, or by a
 28 public or private nonprofit elementary or secondary school in the state;

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

31 (3) vocational education courses, programs, and facilities by a state-

1 operated vocational technical education and training school;

2 (4) a facility by a nonprofit, public or private, Alaska two-year or four-
3 year college accredited by a national or regional accreditation association or by a
4 public or private nonprofit elementary or secondary school in the state;

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

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

11 (7) the Alaska higher education investment fund under AS 37.14.750;

12 (8) funding a scholarship awarded by a nonprofit organization to a
13 dual-credit student to defray the cost of a dual-credit course, including the cost of

14 (A) tuition and textbooks;

15 (B) registration, course, and programmatic student fees;

16 (C) on-campus room and board at the postsecondary institution
17 in the state that provides the dual-credit course;

18 (D) transportation costs to and from a residential school
19 approved by the Department of Education and Early Development under
20 AS 14.16.200 or the postsecondary school in the state that provides the dual-
21 credit course; and

22 (E) other related educational and programmatic costs;

23 (9) constructing, operating, or maintaining a residential housing
24 facility by a residential school approved by the Department of Education and Early
25 Development under AS 14.16.200;

26 (10) childhood early learning and development programs and
27 educational support to childhood early learning and development programs provided
28 by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school
29 district in the state, by the Department of Education and Early Development, or
30 through a state grant;

31 (11) science, technology, engineering, and math programs provided by

1 a nonprofit agency or a school district for school staff and for students in grades
2 kindergarten through 12 in the state; and

3 (12) the operation of a nonprofit organization dedicated to providing
4 educational opportunities that promote the legacy of public service contributions to the
5 state and perpetuate ongoing educational programs that foster public service
6 leadership for future generations of residents of the state.

7 (b) The amount of the credit is 50 percent of contributions.

8 (c) Each public college and university shall include in its annual operating
9 budget request contributions received and how the contributions were used.

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

11 (1) be the basis for a credit claimed under another provision of this
12 title; and

13 (2) when combined with contributions that are the basis for credits
14 taken during the taxpayer's tax year under AS 21.96.071, AS 43.20.019,
15 AS 43.55.022, AS 43.56.021, AS 43.65.021, or AS 43.77.047, result in the total
16 amount of the credits exceeding \$1,000,000; if the taxpayer is a member of an
17 affiliated group, then the total amount of credits may not exceed \$1,000,000 for the
18 affiliated group; in this paragraph, "affiliated group" has the meaning given in
19 AS 43.20.145.

20 (e) The credit under this section may not reduce a person's tax liability under
21 this chapter to below zero for any tax year. An unused credit or portion of a credit not
22 used under this section for a tax year may not be sold, traded, transferred, or applied in
23 a subsequent tax year.

24 (f) To qualify for a credit under this section, equipment must be appraised
25 consistent with regulations adopted by the department to determine the value of the
26 contribution for purposes of this section.

27 (g) In this section,

28 (1) "dual-credit student" means a secondary level student in the state
29 who simultaneously earns college and high school credit for a course;

30 (2) "nonprofit organization" means a charitable or educational
31 organization in the state that is exempt from taxation under 26 U.S.C. 501(c)(3)

1 (Internal Revenue Code);

2 (3) "school district" has the meaning given in AS 43.20.019(g);

3 (4) "vocational education" has the meaning given in AS 43.20.019(g).

4 * **Sec. 11.** AS 43.75.130 is amended by adding a new subsection to read:

5 (i) In this section, "tax revenue collected" includes the amount credited against
6 taxes under AS 43.75.021.

7 * **Sec. 12.** AS 43.77 is amended by adding a new section to read:

8 **Sec. 43.77.047. Fisheries resource landing tax education credit.** (a) A
9 person engaged in a floating fisheries business is allowed a credit against the tax due
10 under this chapter for contributions of cash or equipment 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, by a nonprofit, public or private, Alaska two-year or
14 four-year college accredited by a national or regional accreditation association, or by a
15 public or private nonprofit elementary or secondary school in the state;

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

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

20 (4) a facility by a nonprofit, public or private, Alaska two-year or four-
21 year college accredited by a national or regional accreditation association or by a
22 public or private nonprofit elementary or secondary school in the state;

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

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

29 (7) the Alaska higher education investment fund under AS 37.14.750;

30 (8) funding a scholarship awarded by a nonprofit organization to a
31 dual-credit student to defray the cost of a dual-credit course, including the cost of

- 1 (A) tuition and textbooks;
- 2 (B) registration, course, and programmatic student fees;
- 3 (C) on-campus room and board at the postsecondary institution
- 4 in the state that provides the dual-credit course;
- 5 (D) transportation costs to and from a residential school
- 6 approved by the Department of Education and Early Development under
- 7 AS 14.16.200 or the postsecondary school in the state that provides the dual-
- 8 credit course; and
- 9 (E) other related educational and programmatic costs;
- 10 (9) constructing, operating, or maintaining a residential housing
- 11 facility by a residential school approved by the Department of Education and Early
- 12 Development under AS 14.16.200;
- 13 (10) childhood early learning and development programs and
- 14 educational support to childhood early learning and development programs provided
- 15 by a nonprofit corporation organized under AS 10.20, a tribal entity, or a school
- 16 district in the state, by the Department of Education and Early Development, or
- 17 through a state grant;
- 18 (11) science, technology, engineering, and math programs provided by
- 19 a nonprofit agency or a school district for school staff and for students in grades
- 20 kindergarten through 12 in the state; and
- 21 (12) the operation of a nonprofit organization dedicated to providing
- 22 educational opportunities that promote the legacy of public service contributions to the
- 23 state and perpetuate ongoing educational programs that foster public service
- 24 leadership for future generations of residents of the state.
- 25 (b) The amount of the credit is 50 percent of contributions.
- 26 (c) Each public college and university shall include in its annual operating
- 27 budget request contributions received and how the contributions were used.
- 28 (d) A contribution claimed as a credit under this section may not
- 29 (1) be the basis for a credit claimed under another provision of this
- 30 title; and
- 31 (2) when combined with contributions that are the basis for credits

1 taken during the taxpayer's tax year under AS 21.96.071, AS 43.20.019,
2 AS 43.55.022, AS 43.56.021, AS 43.65.021, or AS 43.75.021, result in the total
3 amount of the credits exceeding \$1,000,000; if the taxpayer is a member of an
4 affiliated group, then the total amount of credits may not exceed \$1,000,000 for the
5 affiliated group; in this paragraph, "affiliated group" has the meaning given in
6 AS 43.20.145.

7 (e) The credit under this section may not reduce a person's tax liability under
8 this chapter to below zero for any tax year. An unused credit or portion of a credit not
9 used under this section for a tax year may not be sold, traded, transferred, or applied in
10 a subsequent tax year.

11 (f) To qualify for a credit under this section, equipment must be appraised
12 consistent with regulations adopted by the department to determine the value of the
13 contribution for purposes of this section.

14 (g) In this section,

15 (1) "dual-credit student" means a secondary level student in the state
16 who simultaneously earns college and high school credit for a course;

17 (2) "nonprofit organization" means a charitable or educational
18 organization in the state that is exempt from taxation under 26 U.S.C. 501(c)(3)
19 (Internal Revenue Code);

20 (3) "school district" has the meaning given in AS 43.20.019(g);

21 (4) "vocational education" has the meaning given in AS 43.20.019(g).

22 * **Sec. 13.** AS 43.77.060 is amended by adding a new subsection to read:

23 (f) For purposes of this section, tax revenue collected under AS 43.77.010
24 from a person entitled to a credit under AS 43.77.047 shall be calculated as if the
25 person's tax had been collected without applying the credits.

26 * **Sec. 14.** Sections 1 and 5 of this Act take effect January 2, 2025.

27 * **Sec. 15.** Except as provided in sec. 14 of this Act, this Act takes effect January 1, 2025."