

SENATE BILL NO. 237

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - SECOND SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 2/19/24

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act establishing a corporate income tax credit for certain expenditures on child
2 care services, utility rates, residential housing, and food security and availability; and
3 providing for an 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. Alaska affordability tax credit.** (a) A taxpayer is allowed a
7 credit against the tax due under this chapter for actual qualifying expenditures for

8 (1) employer-provided child care or qualified child care expenses paid by the
9 employee and reimbursed by the taxpayer;

10 (2) taxpayer contributions that reduce residential heating or electricity utility
11 rates in the state;

12 (3) taxpayer contributions that reduce residential mortgage rates or reduce the
13 costs of constructing energy efficient residential housing in the state; and

14 (4) taxpayer contributions that improve food security and affordability.

1 (b) The amount of the credit is 50 percent of the amount of actual qualifying
2 expenditures under (a) of this section.

3 (c) A contribution claimed as a credit under this section may not
4 (1) be the basis for a credit claimed under another provision of this
5 title; or

6 (2) also be allowed as a deduction under 26 U.S.C. against the tax
7 imposed by this chapter.

8 (d) The credit under this section may not reduce a person's tax liability under
9 this chapter by more than 50 percent for any tax year. An unused credit or portion of a
10 credit not used under this section for a tax year may not be sold, traded, transferred, or
11 applied in a prior or subsequent tax year.

12 (e) The department shall adopt regulations to implement this section, including
13 regulations that define "qualifying expenditures" for the purpose of this section.

14 * **Sec. 2.** This Act takes effect January 1, 2025.