

**HOUSE BILL NO. 219**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SESSION

**BY REPRESENTATIVES COSTELLO, Schwanke**

**Introduced: 5/7/25**

**Referred: Labor and Commerce, Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to a tax credit for career and technical education; and providing for an**  
2 **effective date."**

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

4 \* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section  
5 to read:

6 SHORT TITLE. This Act shall be known as the Power Alaska's Workforce Tax Credit  
7 Act.

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

10 LEGISLATIVE INTENT. It is the intent of the legislature to encourage private  
11 investment in the future workforce of the state through a tax credit for career and technical  
12 education infrastructure, instruction, and housing for students. By leveraging private industry  
13 to build and support career and technical education facilities, the state aims to expand  
14 education and training opportunities more efficiently and rapidly than would be possible

1 through public funding alone. This credit is intended to give students access to career and  
 2 technical education training facilities not otherwise available to them.

3 \* **Sec. 3.** AS 43.20 is amended by adding a new section to read:

4 **Sec. 43.20.019. Career and technical education tax credit.** (a) A taxpayer  
 5 may apply as a credit against the taxes levied under this chapter an amount equal to  
 6 the qualifying expenditures paid by the taxpayer related to career and technical  
 7 education. In this subsection, "qualifying expenditure" means an expenditure for

8 (1) constructing or maintaining career and technical education  
 9 fabrication labs;

10 (2) constructing or maintaining career and technical education  
 11 infrastructure;

12 (3) the administration of career and technical education;

13 (4) instructors or other staff for career and technical education,  
 14 whether paid or unpaid;

15 (5) career and technical education curriculum development;

16 (6) housing or dormitories to house students participating in career and  
 17 technical education.

18 (b) A credit applied under this section may not reduce a taxpayer's liability to  
 19 below zero for any tax year. A credit or unused portion of a credit allowed under this  
 20 section may be sold, traded, transferred, or applied in another tax year. A credit sold,  
 21 traded, or transferred by the taxpayer may only be applied at a rate of 80 percent of the  
 22 credit amount determined under (a) of this section.

23 (c) A taxpayer may not claim an income tax education credit under  
 24 AS 43.20.014 for an expenditure for which a career and technical education credit is  
 25 claimed under this section.

26 \* **Sec. 4.** The uncodified law of the State of Alaska is amended by adding a new section to  
 27 read:

28 **APPLICABILITY.** This Act applies to corporations subject to a tax under AS 43.20  
 29 for a tax year beginning on or after the effective date of this Act.

30 \* **Sec. 5.** This Act takes effect immediately under AS 01.10.070(c).