

SENATE BILL NO. 1003

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-FOURTH LEGISLATURE - FIRST SPECIAL SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

Introduced: 8/2/25

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to tax credits for contributions to public schools and programs**
2 **operated by tribal entities or tribally empowered Alaska Native organizations through a**
3 **compact with the state; relating to tax credits for contributions to state-funded literacy**
4 **programs; relating to the insurance tax education credit, the income tax education**
5 **credit, the oil or gas producer education credit, the property tax education credit, the**
6 **mining business education credit, the fisheries business education credit, and the**
7 **fisheries resource landing tax education credit; and providing for an effective date."**

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

9 * **Section 1.** AS 21.96.070(a) is amended by adding new paragraphs to read:

10 (14) contributions of cash or equipment accepted by a public school or
11 program that is operated by a tribal entity or a tribally empowered Alaska Native
12 organization through a compact with the state;

13 (15) contributions of cash or equipment to a state-funded literacy

1 program administered by the Department of Education and Early Development.

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

3 (d) 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; and

6 (2) when combined with contributions that are the basis for credits
7 taken during the taxpayer's tax year under AS 43.20.014, AS 43.55.019,
8 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
9 amount of credits exceeding **\$10,000,000** [\$3,000,000]; if the taxpayer is a member of
10 an affiliated group, then the total amount of credits may not exceed **\$10,000,000**
11 [\$3,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
12 meaning given in AS 43.20.145.

13 * **Sec. 3.** AS 43.20.014(a) is amended by adding new paragraphs to read:

14 (20) contributions of cash or equipment accepted by a public school or
15 program that is operated by a tribal entity or a tribally empowered Alaska Native
16 organization through a compact with the state;

17 (21) contributions of cash or equipment to a state-funded literacy
18 program administered by the Department of Education and Early Development.

19 * **Sec. 4.** AS 43.20.014(d) is amended to read:

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

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

23 (2) also be allowed as a deduction under 26 U.S.C. (Internal Revenue
24 Code) against the tax imposed by this chapter; and

25 (3) when combined with contributions that are the basis for credits
26 taken during the taxpayer's tax year under AS 21.96.070, AS 43.55.019,
27 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
28 amount of credits exceeding **\$10,000,000** [\$3,000,000]; if the taxpayer is a member of
29 an affiliated group, then the total amount of credits may not exceed **\$10,000,000**
30 [\$3,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
31 meaning given in AS 43.20.145.

1 * **Sec. 5.** AS 43.55.019(a) is amended by adding new paragraphs to read:

2 (15) contributions of cash or equipment accepted by a public school or
3 program that is operated by a tribal entity or a tribally empowered Alaska Native
4 organization through a compact with the state;

5 (16) contributions of cash or equipment to a state-funded literacy
6 program administered by the Department of Education and Early Development.

7 * **Sec. 6.** AS 43.55.019(d) is amended to read:

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

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

11 (2) when combined with contributions that are the basis for credits
12 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
13 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
14 amount of credits exceeding \$10,000,000 [\$3,000,000]; if the taxpayer is a member of
15 an affiliated group, then the total amount of credits may not exceed \$10,000,000
16 [\$3,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
17 meaning given in AS 43.20.145.

18 * **Sec. 7.** AS 43.56.018(a) is amended by adding new paragraphs to read:

19 (15) contributions of cash or equipment accepted by a public school or
20 program that is operated by a tribal entity or a tribally empowered Alaska Native
21 organization through a compact with the state;

22 (16) contributions of cash or equipment to a state-funded literacy
23 program administered by the Department of Education and Early Development.

24 * **Sec. 8.** AS 43.56.018(d) is amended to read:

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

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

28 (2) when combined with contributions that are the basis for credits
29 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
30 AS 43.55.019, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
31 amount of credits exceeding \$10,000,000 [\$3,000,000]; if the taxpayer is a member of

1 an affiliated group, then the total amount of credits may not exceed \$10,000,000
 2 [\$3,000,000] for the affiliated group; in this paragraph, "affiliated group" has the
 3 meaning given in AS 43.20.145.

4 * **Sec. 9.** AS 43.65.018(a) is amended by adding new paragraphs to read:

5 (20) contributions of cash or equipment accepted by a public school or
 6 program that is operated by a tribal entity or a tribally empowered Alaska Native
 7 organization through a compact with the state;

8 (21) contributions of cash or equipment to a state-funded literacy
 9 program administered by the Department of Education and Early Development.

10 * **Sec. 10.** AS 43.65.018(d) is amended to read:

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

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

14 (2) when combined with contributions that are the basis for credits
 15 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
 16 AS 43.55.019, AS 43.56.018, AS 43.75.018, or AS 43.77.045, result in the total
 17 amount of the credits exceeding \$10,000,000 [\$3,000,000]; if the taxpayer is a
 18 member of an affiliated group, then the total amount of credits may not exceed
 19 \$10,000,000 [\$3,000,000] for the affiliated group; in this paragraph, "affiliated group"
 20 has the meaning given in AS 43.20.145.

21 * **Sec. 11.** AS 43.75.018(a) is amended by adding new paragraphs to read:

22 (20) contributions of cash or equipment accepted by a public school or
 23 program that is operated by a tribal entity or a tribally empowered Alaska Native
 24 organization through a compact with the state;

25 (21) contributions of cash or equipment to a state-funded literacy
 26 program administered by the Department of Education and Early Development.

27 * **Sec. 12.** AS 43.75.018(d) is amended to read:

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 21.96.070, AS 43.20.014,
 2 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.77.045, result in the total
 3 amount of the credits exceeding \$10,000,000 [\$3,000,000]; if the taxpayer is a
 4 member of an affiliated group, then the total amount of credits may not exceed
 5 \$10,000,000 [\$3,000,000] for the affiliated group; in this paragraph, "affiliated group"
 6 has the meaning given in AS 43.20.145.

7 * **Sec. 13.** AS 43.77.045(a) is amended by adding new paragraphs to read:

8 (20) contributions of cash or equipment accepted by a public school or
 9 program that is operated by a tribal entity or a tribally empowered Alaska Native
 10 organization through a compact with the state;

11 (21) contributions of cash or equipment to a state-funded literacy
 12 program administered by the Department of Education and Early Development.

13 * **Sec. 14.** AS 43.77.045(d) is amended to read:

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

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

17 (2) when combined with contributions that are the basis for credits
 18 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,
 19 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.75.018, result in the total
 20 amount of the credits exceeding \$10,000,000 [\$3,000,000]; if the taxpayer is a
 21 member of an affiliated group, then the total amount of credits may not exceed
 22 \$10,000,000 [\$3,000,000] for the affiliated group; in this paragraph, "affiliated group"
 23 has the meaning given in AS 43.20.145.

24 * **Sec. 15.** This Act takes effect January 1, 2026.