

1 IN THE HOUSE

BY MESSRS. BOARDMAN
AND STRANDBERG

2 HOUSE BILL NO. 69

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Alaska net income
7 tax; and providing for an effective date."

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

9 * Section 1. AS 43.20.010(c) is amended by adding new subsec-
10 tions to read:

11 (5) The tax computed under (a) of this section may
12 be reduced by 16 per cent of the retirement income credit
13 allowed for the same tax year against a taxpayer's federal
14 income tax liability under the Internal Revenue Code of 1954,
15 sec. 37, as it has or may be amended.

16 (6) The tax computed under (a) of this section may
17 be reduced by 16 per cent of the dividends received credit
18 allowed for the same tax year against a taxpayer's federal
19 income tax liability under the Internal Revenue Code of 1954,
20 sec. 34, as it has or may be amended.

21 (7) The tax computed under (a) of this section may
22 be reduced by 16 per cent of the investment credit allowed for
23 the same tax year against a taxpayer's federal income tax
24 liability under the Internal Revenue Code of 1954, secs. 38
25 and 46, as it has or may be amended.

26 (8) The tax computed under (b) of this section may
27 be reduced by 18 per cent of the investment credit allowed
28 for the same tax year against a taxpayer's federal income tax
29 liability under the Internal Revenue Code of 1954, secs. 38

1 and 46, as it has or may be amended.

2 (9) The credits allowed against the state income
3 tax by (c)(5), (6), (7), and (8) of this section apply only
4 to that portion of the federal tax credit attributable to
5 income derived from sources in the state.

6 * Sec. 2. AS 43.20.010 is amended by adding new subsections to
7 read:

8 (d) If for any taxable year the net long-term capital
9 gain of a corporation exceeds the net short-term capital loss,
10 then, in lieu of the tax imposed by (b) of this section, there
11 is imposed a tax (if it is less than the tax imposed by (b)
12 of this section) which is the sum of

13 (1) a partial tax computed on the taxable income
14 reduced by the amount of the excess, at the rates and in the
15 manner as if (d) of this section had not been enacted, and

16 (2) an amount equal to 4.5 per cent of the excess.

17 (e) If for any taxable year the net long-term capital
18 gain of a taxpayer (other than a corporation) exceeds the net
19 short-term capital loss, then, in lieu of the tax imposed by
20 (a) of this section, there is imposed a tax (if it is less
21 than the tax imposed by (a) of this section) which is the
22 sum of

23 (1) a partial tax computed on the taxable income
24 reduced by an amount equal to 50 per cent of the excess, at
25 the rate and in the manner as if (e) of this section had not
26 been enacted, and

27 (2) an amount equal to four per cent of the excess
28 of the net long-term capital gain over the net short-term
29 capital loss.

ALASKA
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LEGISLATURE

1 * Sec. 3. This Act applies retroactively to January 1, 1964.

2 * Sec. 4. This Act takes effect on the day after its passage
3 and approval or on the day it becomes law without such approval.

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