

1 IN THE HOUSE BY MR. SASSARA

2 HOUSE BILL NO. 121

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act allowing deduction of amounts  
7 invested in local development companies  
8 from 'taxable income' under the Alaska Net  
9 Income tax; and providing for an effective  
10 date."

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

12 \* Section 1. AS 43.20.010(c) is amended by adding a new sub-  
13 section to read:

14 (5) In computing the taxable income under (a) of  
15 this section, a taxpayer is entitled to deduct his investment  
16 during the tax year in a local development company; for  
17 purposes of this subsection a "local development company"  
18 means a private or public enterprise incorporated under  
19 AS 10.05 for the purpose of furthering the economic develop-  
20 ment of a local community or its environs in the state and  
21 which has authority to promote and assist small business  
22 concerns within its area of operations and is otherwise  
23 qualified to participate in local development company loans  
24 offered by the Small Business Administration.

25 \* Sec. 2. This Act applies retroactively to January 1, 1965.

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

28  
29