

Original sponsor: Butrovich, Engstrom,
Hagglund, et al

Offered: 3/3/70
Referred: Rules

1 IN THE SENATE

BY THE FINANCE COMMITTEE

2 HOUSE CS FOR SENATE BILL NO. 383

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the Industrial Incentive Tax
7 Credit Act; and providing for an effective date."

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

9 * Section 1. AS 43.26.80 is amended to read:

10 Sec. 43.26.080. GRANT OF TAX CREDIT BY POLITICAL SUBDIVISION.

11 With respect to taxes levied by it, a political subdivision of the
12 state may award grants of tax credit in the same manner and subject to
13 the same restrictions as provided for the department under this
14 chapter, except that the amount of tax credit granted may not exceed
15 25 per cent of the value of the investment made in the business as
16 of the date it commences operation, and a political subdivision shall
17 levy and collect at least a real and personal property tax millage
18 on the assessed valuation of the property which is equal to at least
19 seven mills. This section applies only to businesses receiving grants
20 authorized on applications for grants of tax credit made before
21 February 2, 1970. Applications made before February 2, 1970 may not
22 be transferred from one person to another.

23 * Sec. 2. AS 43.26 is amended by adding a new section to read:

24 Sec. 43.26.082. PUBLIC SCHOOL SUPPORT. (a) A business receiving
25 a tax credit under this Act located within a political subdivision that
26 levies and collects a real and personal property tax millage on the
27 assessed valuation of property for the support of public schools which
28 is less than 10 mills shall pay to the state Department of Revenue
29 the difference between the millage rate levied and collected by the

1 political subdivision and 10 mills.

2 (b) The taxes levied by this section shall be effective for the
3 life of the grant of tax credit. This section applies only to
4 businesses receiving grants authorized on applications for grants of
5 tax credit made after February 1, 1970.

6 * Sec. 3. AS 43.26.095(b)(3) is repealed and re-enacted to read:

7 (3) "resident", at the end of the first year of tax credit,
8 means a person who has been domiciled in Alaska for at least one year
9 immediately before the granting of the tax credit to the business;
10 "resident", at the end of the second and third year of tax credit,
11 means a person who has been domiciled in Alaska for at least one year
12 either immediately before the granting of the tax credit to the
13 business or after the granting of the tax credit to the business.

14 * Sec. 4. This Act takes effect on the day after its passage and approv-
15 al or on the day it becomes law without approval.