

Original sponsor: Rules Committee  
by request of the Governor

Offered: 4/9/75  
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 CS FOR HOUSE BILL NO. 208 (FINANCE) am S

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 \* Section 1. AS 43.20 is amended by adding a new section to read:

10 Sec. 43.20.036. FEDERAL TAX DEDUCTIONS AND CREDITS. (a) For  
11 purposes of calculating the income tax payable under this chapter, the  
12 taxpayer may not apply as a credit against his tax liability the  
13 foreign tax credit allowed as to federal taxes under Internal Revenue  
14 Code sec. 33 (26 U.S.C. sec. 33).

15 (b) For purposes of calculating the income tax payable under this  
16 chapter, the taxpayer may apply as a credit against his tax liability  
17 the job development investment credit allowed as to federal taxes under  
18 Internal Revenue Code sec. 50 upon only the first \$500,000 of qualified  
19 investment put into use for each taxable year (26 U.S.C. sec. 50). This  
20 limitation does not apply to the amounts invested in equipment which  
21 meets the definition of a certified pollution control facility as  
22 defined under Internal Revenue Code sec. 169 (26 U.S.C. 159) as in effect  
23 on the effective date of this Act except that the date specified in that  
24 section does not apply.

25 (c) For purposes of calculating the income tax payable under this  
26 chapter, the taxpayer may apply as an exemption from his tax liability  
27 the tax exemption for domestic international sales corporations under  
28 Internal Revenue Code sec. 991 (26 U.S.C. sec. 991), except those tax-  
29 payers who are engaged in the exportation of non-renewable resources.

1 (d) For purposes of this chapter, the taxpayer may not apply for  
2 a refund of 1974 individual income taxes under Internal Revenue Code  
3 sec. 6428 (26 U.S.C. sec. 6428).

4 (e) For purposes of calculating the income tax payable under this  
5 chapter, the taxpayer may not apply as a credit against his tax liabil-  
6 ity the credit for personal exemptions under Internal Revenue Code  
7 sec. 42 (26 U.S.C. sec. 42).

8 (f) For purposes of calculating the income tax payable under this  
9 chapter, the taxpayer may not apply as a credit against his tax liabil-  
10 ity the credit for earned income under Internal Revenue Code sec. 43  
11 (26 U.S.C. sec. 43).

12 (g) For purposes of calculating the tax payable under this  
13 chapter, the taxpayer may not apply as a credit against his tax liabil-  
14 ity the credit for purchase of new principal residence under Internal  
15 Revenue Code sec. 44 (26 U.S.C. sec. 44).

16 \* Sec. 2. This Act is retroactive to January 1, 1975, and relates only  
17 to income earned and received after December 31, 1974.

18 \* Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-  
19 070(c).