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BY GARDINER, COTTEN, DUNCAN,
GRUENING, MCKINNON, MALONE,
MILLER AND SPECKING

1 IN THE HOUSE

2 HOUSE BILL NO. 317

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to tax credits for political contribu-
7 tions."

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

9 * Section 1. AS 43.20.031(f) is repealed and re-enacted to read:

10 (f) A natural person is entitled to a tax credit for the amount of
11 political campaign contributions made within the tax year for use
12 exclusively for political campaigns in the amounts specified in this
13 subsection. The credits allowed by this subsection are in place of the
14 credit allowed by sec. 41 of the Internal Revenue Code and the deduction
15 allowed by sec. 218 of the Internal Revenue Code for contribution to
16 candidates for public office. A natural person may claim a tax credit
17 of no more than

18 (1) \$100 for a contribution to a candidate for election to
19 governor, lieutenant governor, state senator, or state representative,
20 either directly to the candidate or his campaign treasurer or to a
21 group controlled by the candidate if the candidate has filed with the
22 Alaska Public Offices Commission an agreement under AS 15.13.070(i) to
23 accept the limitations established by AS 15.13.070(j); and

24 (2) \$50 for a contribution to a candidate for election to
25 an office other than that of governor, lieutenant governor, state
26 senator or state representative; to a group not in any way supporting or
27 opposing a candidate for election to those offices, regardless of
28 whether or not the group is controlled by the candidate; and for dues to
29 a nonprofit organization organized primarily for the purpose of

1 influencing elections if the nonprofit corporation is not supporting or
2 opposing a candidate for election to those offices, regardless of whether
3 or not it is controlled by the candidate.

4 * Sec. 2. AS 15.13.070(a) is amended to read:

5 (a) No person or group, including but not limited to all political
6 committees, businesses, corporations, and labor unions, may contribute
7 [TO OR EXPEND] more than \$1,000 a year on behalf of or in opposition to
8 the competing candidates for each elective office. Political parties
9 and their subdivisions are not subject to the limitation prescribed in
10 this subsection, but they are subject to the reporting requirements
11 prescribed by secs. 40(b) and 110 of this chapter. Nothing in this
12 chapter prohibits

13 (1) a candidate from contributing more than \$1,000 of his own
14 money to his own campaign; or

15 (2) individuals or groups, including but not limited to all
16 political committees, businesses, corporations, and labor unions, from
17 contributing to or expending on behalf of a ballot proposition or
18 question more than \$1,000 a year; however, these contributions [AND
19 EXPENDITURES] shall be reported in accordance with secs. 40 and 110 of
20 this chapter.

21 * Sec. 3. AS 15.13.070(g) is amended to read:

22 (g) Each general election year the commission shall adjust the
23 campaign expenditure limitations for each category of (j) [(f)] of this
24 section to reflect cost-of-living changes as determined and published by
25 the Bureau of Labor Statistics of the United States Department of Labor.

26 * Sec. 4. AS 15.13.070 is amended by adding new subsections to read:

27 (i) Candidates, groups, or nonprofit corporations may expend funds
28 for political campaigns and for the purpose of influencing elections as
29 they consider desirable. However, no political contribution to a

1 campaign for governor, lieutenant governor, state senator, or member of
2 the house of representatives may be claimed as a tax credit under
3 AS 43.20 031(f)(1) unless the political contribution is made for the
4 support of an identified candidate for a specified political office at
5 a particular election who has on file with the Alaska Public Offices
6 Commission a statement agreeing to limit campaign expenditures to those
7 authorized under (j) of this section. An agreement of a candidate under
8 this subsection is effective from the date it is filed through the end
9 of the calendar year in which the election for which the candidate has
10 filed the statement occurs and during that period is irrevocable.

11 (j) If a candidate wishes the benefits of AS 43.20.071(f)(1) to
12 accrue to contributors to him and to all groups under his control, he
13 shall file a statement agreeing to limit his campaign expenditures and
14 the expenditures of all groups under his control to a total amount not
15 in excess of those authorized under this subsection. For 1978 and 1980
16 elections, if the candidacy is for governor, the candidate and all
17 groups under his control are limited to an expenditure of \$250,000, not
18 more than 60 per cent of which may be spent after the date of the primary
19 election; if the candidacy is for lieutenant governor, the candidate and
20 all groups under his control are limited to an expenditure of \$150,000,
21 not more than 60 per cent of which may be spent after the date of the
22 primary election; if the candidacy is for state senator, the candidate
23 and all groups under his control are limited to an expenditure of
24 \$15,000; and if the candidacy is for the state house of representatives,
25 the candidate and all groups under his control are limited to \$10,000.
26 For the 1982 and succeeding elections, the spending limit for candidates
27 for governor and all groups under his control is \$.60 times the popula-
28 tion of the state; for candidates for lieutenant governor, the spending
29 limit for the candidate and all groups under his control is \$.35 times

1 the population of the state; for candidates for the state senate, the
2 spending limit for the candidate and all groups under his control is
3 \$.75 times five per cent of the population of the state; for candidates
4 to the state house of representatives, the spending limit for the candi-
5 date and all groups under his control is \$1 times 2.5 per cent of the
6 population of the state. Each limitation established in this subsection
7 is subject to adjustment by the commission under (g) of this section
8 with July 1, 1977 as the base date.

9 (k) Only candidates filing a statement under (j) of this section
10 may advertise in campaign literature or in solicitations the tax credit
11 available under this section and AS 43.20.071(f)(1).

12 * Sec. 5. AS 15.13.050 is amended to read:

13 Sec. 15.13.050. REGISTRATION OF GROUPS. Each group, before making
14 a contribution or an expenditure to, on behalf of, or in opposition to
15 [,] a candidate or [A CONTRIBUTION TO A CANDIDATE] on behalf of or in
16 opposition to a ballot proposition or question, shall register, on forms
17 provided by the commission, with the commission. If the group intends
18 to support or oppose only one candidate or only one ballot proposition
19 or question, or to contribute to or expend on behalf of, or in opposition
20 to, one candidate or ballot proposition or question 50 per cent or more
21 of its funds, the name of the candidate or ballot proposition or question
22 shall be a part of the name of the group. Promptly upon receiving the
23 registration, the commission shall notify the candidate or the sponsor
24 of the ballot proposition of the group's organization and intent. A
25 group which intends to be controlled by a candidate and to limit its
26 expenditure of funds under his control under sec. 70(j) of this chapter
27 shall register with the commission as such a group.

28 * Sec. 6. AS 15.13.070(f) is repealed.