

Introduced: 4/7/77  
Referred: State Affairs and  
Finance

1 IN THE HOUSE

BY NAKAK AND BRADLEY

2 HOUSE BILL NO. 449

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act granting a tax credit under the Alaska Net  
7 Income Tax Act; establishing procedures for implementing  
8 the tax credit; and providing for an effective date."

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

10 \* Section 1. AS 43.20.031 is amended by adding a new subsection to read:

11 (h) A natural person is entitled to a tax credit not to exceed \$50  
12 for the amount of contributions made within the tax year to civic leagues  
13 or organizations each of which hold, at the time the contribution is  
14 made, a valid certificate issued by the department under sec. 41 of this  
15 chapter.

16 (1) To be eligible for a certificate under sec. 41 of this  
17 chapter, a civic league or organization must

18 (A) not be organized for profit;

19 (B) be operated exclusively for the promotion of social  
20 welfare;

21 (C) be exempt from taxation under sec. 501(c)(4) of the  
22 Internal Revenue Code (26 U.S.C. sec. 501(c)(4)) and have proof of  
23 tax exempt status under that section;

24 (D) devote a substantial part of its activities and more  
25 than 30 per cent of its gross income to attempting to influence  
26 legislative action in Alaska;

27 (E) be required, under AS 24.45.061, to file reports  
28 with the Alaska Public Offices Commission; and

29 (F) be in compliance with AS 24.45 and regulations of

1 the Alaska Public Offices Commission as determined by the commission.

2 (2) As used in this subsection,

3 (A) "gross income" has the meaning ascribed to it in  
4 sec. 61 of the Internal Revenue Code (26 U.S.C. sec. 61);

5 (B) "legislative action" has the meaning ascribed to it  
6 in AS 24.45.171.

7 \* Sec. 2. AS 43.20 is amended by adding new sections to read:

8 Sec. 43.20.041. CERTIFICATE OF ELIGIBILITY OF CIVIC ORGANIZATION  
9 TO RECEIVE CONTRIBUTIONS WHICH MAY BE CREDITED AGAINST TAX BY DONOR.

10 (a) A civic league or organization which meets the criteria listed in  
11 sec. 31(h)(1) of this chapter is entitled to be issued a certificate  
12 under this section.

13 (b) A civic league or organization may apply for a certificate by  
14 submitting an application to the department. Every application for a  
15 certificate shall be made upon a form furnished by the department and  
16 shall contain such information and be accompanied by such substantiation  
17 as the department may require. No fee may be charged for processing an  
18 application or issuing a certificate under this section.

19 (c) Notwithstanding (a) of this section, the department may deny  
20 an application which is false in any material respect or fraudulent in  
any respect.

21 (d) The department shall issue a certificate to the applicant or  
22 deny the application within 60 days after the application and all re-  
23 quired information and substantiation have been received.

24 (e) A certificate issued under this section is not assignable. It  
25 is valid until suspended or revoked by the department or surrendered by  
26 the holder.  
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28 Sec. 43.20.042. DUTY OF CERTIFICATE HOLDER TO INFORM DEPARTMENT OF  
29 SUBSTANTIAL CHANGES IN OPERATIONS; DUTY TO SURRENDER CERTIFICATE. (a)

1 The holder of a certificate issued under sec. 41 of this chapter shall  
2 submit written notice to the department within 30 days after any sub-  
3 stantial change in the character, purposes, or methods of operation of  
4 the holder. The notice shall describe the change and shall contain such  
5 information as the department may require.

6 (b) The holder of a certificate issued under sec. 41 of this  
7 chapter shall surrender the certificate to the department within 30 days  
8 after receiving notice that the certificate has been revoked or sus-  
9 pended.

10 (c) In the absence of proceedings to revoke or suspend a certifi-  
11 cate issued under sec. 41 of this chapter, the holder shall surrender  
12 the certificate to the department within 30 days after the holder clearly  
13 ceases to meet one or more of the criteria listed in sec. 31(h)(1) of  
14 this chapter.

15 (d) If the holder of a certificate surrenders it to the department  
16 before the 30-day period referred to in (a) of this section has expired,  
17 compliance with (a) of this section is excused. Compliance with (a) of  
18 this section does not excuse failure to comply with (c) of this section.

19 (e) Any violation of this section is a misdemeanor.

20 Sec. 43.20.043. REVOCATION OR SUSPENSION OF CERTIFICATE. (a) The  
21 department may, upon hearing, revoke or suspend a certificate issued  
22 under sec. 41 of this chapter for any of the following reasons:

23 (1) the application for the certificate was false in any  
24 material respect or was fraudulent in any respect;

25 (2) the holder of the certificate failed to comply with sec.  
26 42 of this chapter;

27 (3) the holder of the certificate no longer meets one or more  
28 of the criteria listed in sec. 31(h)(1) of this chapter.

29 (b) A hearing held under (a) of this section is subject to the

1 provisions of the Administrative Procedure Act concerning administrative  
2 adjudication (AS 44.62.330 - 44.62.630).

3 Sec. 43.20.044. ADMINISTRATION. The department shall adopt regula-  
4 tions implementing secs. 41 - 43 of this chapter.

5 \* Sec. 3. Section 1 of this Act takes effect January 1, 1978 and applies  
6 to taxable years beginning after December 31, 1977. Section 2 of this Act  
7 takes effect immediately in accordance with AS 01.10.070(c).  
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