

Introduced: 1/30/79  
Referred: Judiciary and  
Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE BY  
REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 99

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 ELEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to individual income tax credits;  
7 and providing for an effective date."

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

9 \* Section 1. AS 43.20.015 is repealed and re-enacted to read:

10 Sec. 43.20.015. INDIVIDUAL TAX CREDIT. (a) For tax years  
11 beginning after December 31, 1977, each individual filing an Alaska  
12 net income tax return is entitled to a cost-of-living credit provided  
13 for in this section. For married taxpayers filing a joint return, the  
14 return may claim the credit for each spouse.

15 (b) The amount of the annual cost-of-living credit is as follows,  
16 but not exceeding the net tax liability of the taxpayer after appli-  
17 cation of all other credits:

18 (1) for the 1978 tax year, -- \$100;

19 (2) for the 1979 and 1980 tax years -- \$100 plus an amount  
20 determined by the department under (c) of this section times the  
21 number of years, up to a maximum of five, that the taxpayer has filed  
22 a return under this chapter;

23 (3) for the 1981 and following tax years -- an amount  
24 determined by the department under (c) of this section times the  
25 number of years, up to a maximum of five, that the taxpayer has filed  
26 a return under this chapter.

27 (c) The additional credit amount under (b)(2) of this section,  
28 and the amount under (b)(3), is equal to the quotient of 50 per cent  
29 of the earnings of the permanent fund during the previous fiscal year

1 divided by the total number of creditable years as determined in (d)  
2 of this section.

3 (d) The number of creditable years is the number of individual  
4 tax returns filed under this chapter in the current year multiplied by  
5 the number of years that the individuals filing those returns previously  
6 filed returns up to a maximum of five years per individual.

7 (e) For part-year resident and non-resident individual taxpayers,  
8 the credit provided in this section shall be prorated according to the  
9 number of months present in the state for those years in which the  
10 taxpayer is claiming credit.

11 \* Sec. 2. TRANSITION. Section 3 of this Act and AS 43.20.015(b)(1) in  
12 sec. 1 of this Act are intended to assure that taxpayers are allowed the  
13 credit provided for the 1978 tax year by AS 43.20.015 as enacted in ch. 144  
14 SLA 1978, and to avoid a double credit for that tax year.

15 \* Sec. 3. This Act is retroactive to January 1, 1978.

16 \* Sec. 4. This Act takes effect immediately in accordance with AS 01.-  
17 10.070(c).

18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29