

Introduced: 2/19/81
Referred: Judiciary and Finance

1 IN THE HOUSE

BY MONTGOMERY, HAYES, ANDERSON,
BARNES, COTTEN, AND HALFORD

2 HOUSE BILL NO. 187 am

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to tax credits and penalties, and
7 providing for an effective date."

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

9 * Section 1. AS 43.05.220(a) is amended to read:

10 (a) Five percent shall be added to a tax for each 30-day period
11 or fraction of the period during which the taxpayer fails to file at
12 the time or times required by law or regulation a return or report, or
13 pay the full amount of the tax, or a portion or a deficiency of the
14 tax, as finally determined by the department and required by this
15 title, unless it is shown that the failure is due to a reasonable cause
16 and not to wilful neglect. The penalty shall not exceed 25 percent in
17 the aggregate. The penalty is computed only on the unpaid balance of
18 the tax liability as determined by the department. The department
19 shall prescribe by regulation circumstances which constitute reasonable
20 cause for purposes of this section.

21 * Sec. 2. AS 43.20.036(b) is amended to read:

22 (b) For purposes of calculating the income tax payable under this
23 chapter, the taxpayer may apply as a credit against his tax liability
24 the [JOB DEVELOPMENT] investment credit allowed as to federal taxes
25 under Internal Revenue Code sec. 38 (26 U.S.C. 38) [50] upon only the
26 first \$20,000,000 [\$500,000] of qualified investment put into use
27 in the state for each taxable year [(26 U.S.C. SEC. 50)]. This limita-
28 tion does not apply to the amounts invested in equipment which meets
29 the definition of a certified pollution control facility as defined

1 under Internal Revenue Code sec. 169 (26 U.S.C. sec. 169) as in effect
2 on June 19, 1975 [THE EFFECTIVE DATE OF THIS ACT] except that the date
3 specified in Internal Revenue Code [THAT] section 169(d) as a condition
4 of qualifying a certified pollution control facility for a deduction
5 does not apply.

6 * Sec. 3. Section 2 of this Act is retroactive to July 1, 1980, and
7 applies to expenditures which qualify for the investment credit which are
8 made on or after that date.

9 * Sec. 4. This Act takes effect immediately in accordance with AS 01.10.-
10 070(c).