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Referred: Judiciary, Labor &
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1 IN THE SENATE

2 SENATE BILL NO. 288

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TWELFTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act amending the corporate income tax under the
7 Alaska Net Income Tax Act, and repealing the Alaska
8 Oil and Gas Corporate Income Tax Act; and providing
9 for an effective date."

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

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

12 Sec. 43.20.018. CORPORATE TAX EXEMPTIONS. A corporation is
13 entitled to an exemption of \$150,000 against its net income taxable
14 under this chapter.

15 * Sec. 2. AS 43.20.011(e) is amended to read:

16 (e) There is imposed for each taxable year upon the entire taxable
17 income of every corporation derived from sources within the state a tax
18 consisting of a normal tax equal to 9.4 [5.4] percent of taxable income
19 [, AND A SURTAX WHICH IS EQUAL TO 4.0 PERCENT OF TAXABLE INCOME, EXCEPT
20 THAT THE TAX ON A CORPORATION ENGAGED IN THE PRODUCTION OR TRANSPORTA-
21 TION OF CRUDE OIL OR NATURAL GAS SHALL BE DETERMINED AND PAID IN ACCORD-
22 ANCE WITH AS 43.21. FOR TAX YEARS BEGINNING AFTER DECEMBER 31, 1979,
23 THE SURTAX EXEMPTION IS \$50,000. FOR CONTROLLED CORPORATIONS DESCRIBED
24 IN SECS. 1561 - 1563 OF THE INTERNAL REVENUE CODE ONLY ONE SURTAX
25 EXEMPTION MAY BE ALLOWED FOR THE CONTROLLED GROUP].

26 * Sec. 3. AS 43.21 is repealed.

27 * Sec. 4. Sections 1 - 3 of this Act are retroactive to January 1, 1981,
28 and apply to tax years beginning after December 31, 1980.

29 * Sec. 5. This Act takes effect immediately in accordance with AS 01.-

1 10.070(c).

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