

Introduced: 2/5/86  
Referred: Community & Regional  
Affairs and Finance

1 IN THE HOUSE

BY FULLER

2 HOUSE BILL NO. 546

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the taxation of Native corpora-  
7 tions."

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

9 \* Section 1. AS 10.05.005(a) is amended to read:

10 (a) A corporation organized under 43 U.S.C. 1601 - 1628 (Alaska  
11 Native Claims Settlement Act), except a village corporation which may  
12 be incorporated under either this chapter or AS 10.20, shall be incor-  
13 porated under and is subject to this chapter, except

14 (1) each corporation shall issue without further considera-  
15 tion the number of shares of common stock necessary to comply with the  
16 requirements of the Alaska Native Claims Settlement Act and all stock  
17 so issued is considered fully paid and nonassessable when issued;

18 (2) unless otherwise provided in the articles of incorpora-  
19 tion approved by the secretary of the interior,

20 (A) the capital is considered the consideration for  
21 the initial issuance of shares; and

22 (B) the capital of a corporation organized under 43  
23 U.S.C. 1601 - 1628 includes

24 (i) the land or interests in it conveyed to the  
25 corporation by the United States under the federal Act,  
26 except that which is required to be conveyed under 43 U.S.C.  
27 1613(c)(1), (3), and (4), entered at its fair value to the  
28 corporation upon receiving the conveyance of it; and

29 (ii) the money, when received under 43 U.S.C.

1                   1605, 1606(i), and 1608, that [WHICH] is retained by the  
2                   corporation and that [WHICH] is not immediately distributed  
3                   or required to be distributed under 43 U.S.C. 1606(j).

4       \* Sec. 2. AS 43.20.031 is amended by adding a new subsection to read:

5                   (j) The department shall apply the exception contained in sec.  
6                   60(b)(5) of P.L. 98-369 (Tax Reform Act of 1984) to a consolidated  
7                   return filed by a Native corporation under this chapter. In this  
8                   subsection, "Native corporation" means a corporation organized under  
9                   43 U.S.C. 1601 - 1628 (Alaska Native Claims Settlement Act).