

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 223(FIN)**IN THE LEGISLATURE OF THE STATE OF ALASKA****EIGHTEENTH LEGISLATURE - SECOND SESSION****BY THE SENATE FINANCE COMMITTEE****Offered: 5/8/94**
Referred: Rules**Sponsor(s): SENATOR TAYLOR****A BILL****FOR AN ACT ENTITLED**

1 "An Act relating to credits against certain taxes for contributions to certain
2 public educational radio and television networks and stations; and providing for
3 an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1. PURPOSE.** This Act extends the credits authorized by ch. 58, SLA 1987, and
6 ch. 71, SLA 1991, against each of the following state taxes for contributions made to instate
7 public educational radio and television networks and stations:

- 8 (1) Alaska Net Income Tax (AS 43.20);
9 (2) Oil and Gas Properties Production Tax (AS 43.55);
10 (3) Oil and Gas Exploration, Production, and Pipeline Transportation Property
11 Tax (AS 43.56);
12 (4) Mining License Tax (AS 43.65);
13 (5) Fisheries Taxes (AS 43.75).

14 * **Sec. 2.** AS 43.20.014(a) is amended to read:

1 (a) Subject to (d) and (e) of this section, a taxpayer is allowed as a credit
2 against the tax due under this chapter the taxpayer's contributions as follows:

3 (1) for [FOR] cash contributions accepted for direct instruction,
4 research, and educational support purposes, including library and museum acquisitions,
5 and contributions to endowment, by an Alaska university foundation or by a nonprofit,
6 public or private, Alaska two-year or four-year college accredited by a regional
7 accreditation association,

8 (A) [A TAXPAYER IS ALLOWED AS A CREDIT AGAINST
9 THE TAX DUE UNDER THIS CHAPTER (1)] 50 percent of contributions
10 of not more than \$100,000; and

11 (B) [(2)] 100 percent of the next \$100,000 of contributions; or
12 (2) for contributions accepted by a nonprofit, noncommercial public
13 Alaska educational radio or television network or station, 50 percent of
14 contributions of not more than \$100,000.

15 * Sec. 3. AS 43.20.014 is amended by adding a new subsection to read:

16 (e) A person who claims and receives a credit

17 (1) for a contribution made under (a)(1) of this section may not claim
18 and receive a credit for any contribution made under (a)(2) of this section;

19 (2) for a contribution made under (a)(2) of this section may not claim
20 and receive a credit for any contribution made under (a)(1) of this section.

21 * Sec. 4. AS 43.55.019(a) is amended to read:

22 (a) Subject to (d) and (f) of this section, a producer of oil or gas is allowed
23 as a credit against the tax due under this chapter the producer's contributions as
24 follows:

25 (1) for [FOR] cash contributions accepted for direct instruction,
26 research, and educational support purposes, including library and museum acquisitions,
27 and contributions to endowment, by an Alaska university foundation or by a nonprofit,
28 public or private, Alaska two-year or four-year college accredited by a regional
29 accreditation association,

30 (A) [A PRODUCER OF OIL OR GAS IS ALLOWED AS A
31 CREDIT AGAINST THE TAX DUE UNDER THIS CHAPTER (1)] 50

1 percent of contributions of not more than \$100,000; and

2 ~~(B) [(2)] 100 percent of the next \$100,000 of contributions; or~~
3 (2) for contributions accepted by a nonprofit, noncommercial public
4 Alaska educational radio or television network or station, 50 percent of
5 contributions of not more than \$100,000.

6 * Sec. 5. AS 43.55.019 is amended by adding a new subsection to read:

7 (f) A person who claims and receives a credit

8 (1) for a contribution made under (a)(1) of this section may not claim
9 and receive a credit for any contribution made under (a)(2) of this section;

10 (2) for a contribution made under (a)(2) of this section may not claim
11 and receive a credit for any contribution made under (a)(1) of this section.

12 * Sec. 6. AS 43.56.018(a) is amended to read:

13 (a) Subject to (d) and (f) of this section, the owner of property taxable
14 under this chapter is allowed as a credit against the tax due under this chapter
15 the owner's contribution as follows:

16 (1) for [FOR] cash contributions accepted for direct instruction,
17 research, and educational support purposes, including library and museum acquisitions,
18 and contributions to endowment, by an Alaska university foundation or by a nonprofit,
19 public or private, Alaska two-year or four-year college accredited by a regional
20 accreditation association,

21 (A) [THE OWNER OF PROPERTY TAXABLE UNDER THIS
22 CHAPTER IS ALLOWED AS A CREDIT AGAINST THE TAX DUE
23 UNDER THIS CHAPTER (1)] 50 percent of contributions of not more than
24 \$100,000; and

25 (B) [(2)] 100 percent of the next \$100,000 of contributions; or
26 (2) for contributions accepted by a nonprofit, noncommercial public
27 Alaska educational radio or television network or station, 50 percent of
28 contributions of not more than \$100,000.

29 * Sec. 7. AS 43.56.018 is amended by adding a new subsection to read:

30 (f) A person who claims and receives a credit

31 (1) for a contribution made under (a)(1) of this section may not claim

1 and receive a credit for any contribution made under (a)(2) of this section;

2 (2) for a contribution made under (a)(2) of this section may not claim
3 and receive a credit for any contribution made under (a)(1) of this section.

4 * Sec. 8. AS 43.65.018(a) is amended to read:

5 (a) Subject to (d) and (e) of this section, a person engaged in the business
6 of mining in the state is allowed as a credit against the tax due under this chapter
7 the contributions made by the person as follows:

8 (1) for [FOR] cash contributions accepted for direct instruction,
9 research, and educational support purposes, including library and museum acquisitions,
10 and contributions to endowment, by an Alaska university foundation or by a nonprofit,
11 public or private, Alaska two-year or four-year college accredited by a regional
12 accreditation association,

13 (A) [A PERSON ENGAGED IN THE BUSINESS OF MINING
14 IN THE STATE IS ALLOWED AS A CREDIT AGAINST THE TAX DUE
15 UNDER THIS CHAPTER (1)] 50 percent of contributions of not more than
16 \$100,000; and

17 (B) [(2)] 100 percent of the next \$100,000 of contributions; or

18 (2) for contributions accepted by a nonprofit, noncommercial public
19 Alaska educational radio or television network or station, 50 percent of
20 contributions of not more than \$100,000.

21 * Sec. 9. AS 43.65.018 is amended by adding a new subsection to read:

22 (e) A person who claims and receives a credit

23 (1) for a contribution made under (a)(1) of this section may not claim
24 and receive a credit for any contribution made under (a)(2) of this section;

25 (2) for a contribution made under (a)(2) of this section may not claim
26 and receive a credit for any contribution made under (a)(1) of this section.

27 * Sec. 10. AS 43.75.018(a) is amended to read:

28 (a) Subject to (d) and (e) of this section, a person engaged in a fisheries
29 business is allowed as a credit against the tax due under this chapter the
30 contributions made by the person as follows:

31 (1) for [FOR] cash contributions accepted for direct instruction,

1 research, and educational support purposes, including library and museum acquisitions,
2 and contributions to endowment, by an Alaska university foundation or by a nonprofit,
3 public or private, Alaska two-year or four-year college accredited by a regional
4 accreditation association,

5 (A) [A PERSON ENGAGED IN A FISHERIES BUSINESS IS
6 ALLOWED AS A CREDIT AGAINST THE TAX DUE UNDER THIS
7 CHAPTER (1)] 50 percent of contributions of not more than \$100,000; and

8 (B) [(2)] 100 percent of the next \$100,000 of contributions; or
9 (2) for contributions accepted by a nonprofit, noncommercial public
10 Alaska educational radio or television network or station, 50 percent of
11 contributions of not more than \$100,000.

12 * Sec. 11. AS 43.75.018 is amended by adding a new subsection to read:

13 (e) A person who claims and receives a credit

14 (1) for a contribution made under (a)(1) of this section may not claim
15 and receive a credit for any contribution made under (a)(2) of this section;

16 (2) for a contribution made under (a)(2) of this section may not claim
17 and receive a credit for any contribution made under (a)(1) of this section.

18 * Sec. 12. This Act applies to tax years beginning after December 31, 1994.

19 * Sec. 13. This Act takes effect January 1, 1995.