

SENATE BILL NO. 311

IN THE LEGISLATURE OF THE STATE OF ALASKA

EIGHTEENTH LEGISLATURE - SECOND SESSION

BY THE SENATE FINANCE COMMITTEE

Introduced: 2/14/94  
Referred: RES, FIN

A BILL

FOR AN ACT ENTITLED

1 "An Act authorizing a credit against the fishery resource landing tax for certain  
2 contributions made by taxpayers not harvesting fisheries resources under a  
3 community development quota and for contributions based on fishery resources  
4 not harvested under a quota made by taxpayers harvesting fisheries resources  
5 under a community development quota, amending the manner of calculating the  
6 amount available for revenue sharing by operation of this credit, and expediting  
7 agency review of the credit applications under that tax; and providing for an  
8 effective date."

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

10 \* Section 1. AS 43.77.040(b) is amended to read:

11 (b) A taxpayer who makes a contribution that qualifies for the credit  
12 authorized by (a) or (e) of this section must apply to obtain the credit. The taxpayer

1 shall apply to the department in the manner provided by the department by regulation,  
2 and shall provide to the commissioner all information relating to the contribution that  
3 may be required by the department. Upon receipt of a complete application, the  
4 department, in consultation with the Department of Community and Regional Affairs,  
5 shall approve or disapprove the application for the credit within 60 days. On  
6 application by a nonprofit corporation, if, after notice and opportunity for public  
7 comment, the commissioner determines that all contributions to the nonprofit  
8 corporation would be used exclusively for a purpose that qualifies for the credit  
9 under (a) or (e) of this section, the commissioner shall establish a procedure for  
10 expedited review and approval of credit applications relating to contributions to  
11 that corporation.

12 \* Sec. 2. AS 43.77.040(c) is amended to read:

13 (c) The department shall revoke a prior approval of a tax credit and may not  
14 allow a tax credit under this section if (1) the department determines that the  
15 contribution does not qualify under (a) or (e) of this section; or (2) the taxpayer  
16 claiming the credit is in arrears in the payment of a tax levied in this title. For  
17 purposes of this subsection, a taxpayer is not in arrears if the payment is under  
18 administrative or judicial appeal.

19 \* Sec. 3. AS 43.77.040 is amended by adding a new subsection to read:

20 (e) Each of the following may claim as a credit, against not more than 13.65  
21 percent of the tax under this chapter that is due on the value of the fishery resource  
22 not harvested under a community development quota, the taxpayer's contributions  
23 made during the tax year to a nonprofit corporation incorporated under the laws of the  
24 state that are used by the recipient for one or more of the purposes set out in (a) of  
25 this section:

26 (1) a taxpayer other than a taxpayer who is eligible for a credit under  
27 (a) of this section;

28 (2) a taxpayer who is eligible for a credit under (a) of this section, but  
29 the credit under this subsection may be claimed only from contributions that are made  
30 from the value of the fishery resource that is not harvested under a community  
31 development quota.

1 \* Sec. 4. AS 43.77.050(b) is amended to read:

2 (b) After payment of the amount determined under (a) of this section, the  
3 balance of the tax collected under this chapter shall be paid into a separate account in  
4 the general fund. The annual balance in the account may be appropriated by the  
5 legislature for revenue sharing under AS 43.77.060. Before making the payments  
6 to municipalities authorized by AS 43.77.060, from amounts payable to  
7 municipalities under AS 43.77.060(a) - (c) the commissioner shall deduct

8 (1) the entire [THE] amount of [ALL] tax credits authorized by  
9 AS 43.77.040(a) that have been approved by the commissioner under  
10 AS 43.77.040(b); and

11 (2) one-half of the amount of tax credits authorized by  
12 AS 43.77.040(e) that have been approved by the commissioner under  
13 AS 43.77.040(b) [SHALL BE DEDUCTED FROM AMOUNTS PAID TO  
14 MUNICIPALITIES UNDER AS 43.77.060(a) - (c)].

15 \* Sec. 5. If this Act takes effect after July 1, 1994, this Act is retroactive to July 1, 1994.

16 \* Sec. 6. This Act takes effect July 1, 1994, and applies to fishery resource landing taxes  
17 paid after June 30, 1994.