



LAWS OF ALASKA

1976

Source

FCCS CSSB 510

Chapter No.

125

AN ACT

Relating to the Alaska Net Income Tax Act; and providing for an effective date.

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

* Sec. 1. AS 43.20.021(a) is amended to read:

(a) Subtitle F and chapter 1 of subtitle A of the 1954 Internal Revenue Code, Public Law 83-591, as amended, are adopted by reference as a part of this chapter, except that those provisions of the Internal Revenue Code adopted after December 31, 1975 which change or modify exemptions from tax or credits against tax are not adopted by reference as a part of this chapter until the second January 1 following the effective date of the federal law. These portions of the Internal Revenue Code have full force and effect under this chapter unless excepted to or modified by other provisions of this chapter.

* Sec. 2. AS 43.20.021 is amended by adding new subsections to read:

(e) For the purpose of calculating the maximum tax rate on earned income as provided for in sec. 1348 of the Internal Revenue Code (26 U.S.C. sec. 1348), the rate is 9.5 per cent for individuals.

(f) For the purpose of calculating the minimum tax on tax preferences provided for in secs. 56 - 58 of the Internal Revenue Code (26 U.S.C. secs. 56 - 58), the rate is 16 per cent for individuals and 18 per cent for corporations of the applicable minimum federal tax rate.

* Sec. 3. AS 43.20.031(b)(2) is repealed and re-enacted to read:

(2) pensions and annuities received from qualified plans approved under secs. 401 - 415 of the Internal Revenue Code (26 U.S.C. secs. 401 - 415) as amended;

* Sec. 4. AS 43.20.031(c) is amended to read:

(c) In computing the tax under this chapter, the taxpayer is not entitled to deduct any taxes based on or measured by net income.

* Sec. 5. AS 43.20.031(a) is amended by adding a new paragraph to read:

(3) the benefits of nonrecognition of gain on the sale or exchange of certain property under secs. 1031, 1033 and 1034 of the Internal Revenue Code (26 U.S.C. secs. 1031, 1033 and 1034) are allowed only to taxpayers who purchase or exchange the property within the state, except that the benefits of sec. 1034 shall be allowed regardless of the location of the property for taxpayers who have attained the age of 65 on or before the time of the purchase or exchange.

* Sec. 6. Sections 1, 3 and 5 of this Act are retroactive to January 1, 1976.

* Sec. 7. Sections 2 and 4 of this Act are retroactive to January 1, 1975 and apply to income earned or received after December 31, 1974.

* Sec. 8. This Act takes effect immediately in accordance with AS 01.10.070(c).