



# LAWS OF ALASKA

1991

**Source**

HB 331 am S

**Chapter No.**

71

**AN ACT**

Relating to tax credits for contributions to certain educational institutions; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

Approved by the Governor: June 21, 1991  
Actual Effective Date: January 1, 1992

AN ACT

1 Relating to tax credits for contributions to certain educational institutions; and providing  
2 for an effective date.

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5  
6 \* Section 1. The provisions of this Act revise and extend the credits authorized by ch. 58, SLA 1987,  
7 under each of the following state taxes for contributions made to instate institutions of postsecondary  
8 education, and limit the total credit that a taxpayer may take against all of the following state taxes  
9 during the taxpayer's tax year to a maximum of \$150,000:

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

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

17 (a) For cash contributions accepted for direct instruction, research, and educational  
18 support purposes, including library and museum acquisitions, and contributions to  
19 endowment, by a nonprofit, public or private, Alaska two-year or four-year college or  
20 university accredited by a regional accreditation association, a [A] taxpayer is allowed as a  
21 credit against the tax due under this chapter

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1           (1) 50 percent of [CASH] contributions of not more than [ACCEPTED FOR  
2 DIRECT INSTRUCTION, RESEARCH, AND EDUCATIONAL SUPPORT PURPOSES,  
3 INCLUDING LIBRARY AND MUSEUM ACQUISITIONS, BY AN ACCREDITED,  
4 NONPROFIT, PUBLIC OR PRIVATE, ALASKA, TWO- OR FOUR-YEAR, COLLEGE OR  
5 UNIVERSITY. THE CREDIT MAY NOT EXCEED THE LESSER OF 10 PERCENT OF THE  
6 AMOUNT OF TAX DUE UNDER THIS CHAPTER OR] \$100,000; and

7           (2) 100 percent of the next \$100,000 of contributions [A CONTRIBUTION  
8 CLAIMED AS A CREDIT UNDER THIS SECTION MAY NOT BE CLAIMED AS A CREDIT  
9 UNDER ANOTHER PROVISION OF THIS TITLE. A DEDUCTION IS NOT ALLOWED  
10 UNDER 26 U.S.C. 170, IF THE CREDIT PROVIDED BY THIS SECTION IS CLAIMED].

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

12           (d) A contribution claimed as a credit under this section

13                   (1) may not be claimed as a credit under another provision of this title;

14                   (2) may not also be allowed as a deduction under 26 U.S.C. 170 against the tax  
15 imposed by this chapter; and

16                   (3) may not, when combined with credits taken during the taxpayer's tax year  
17 under AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.75.018, exceed \$150,000.

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

19           (a) For cash contributions accepted for direct instruction, research, and educational  
20 support purposes, including library and museum acquisitions, and contributions to  
21 endowment, by a nonprofit, public or private, Alaska two-year or four-year college or  
22 university accredited by a regional accreditation association, a [A] producer of oil or gas is  
23 allowed as a credit against the tax due under this chapter

24                   (1) [AS 43.55.011 - 43.55.150] 50 percent of [CASH] contributions of not more  
25 than \$100,000; and

26                   (2) 100 percent of the next \$100,000 of contributions [ACCEPTED FOR  
27 DIRECT INSTRUCTION, RESEARCH, AND EDUCATIONAL SUPPORT PURPOSES,  
28 INCLUDING LIBRARY AND MUSEUM ACQUISITIONS, BY AN ACCREDITED,  
29 NONPROFIT, PUBLIC OR PRIVATE, ALASKA, TWO- OR FOUR-YEAR, COLLEGE OR  
30 UNIVERSITY. THE CREDIT MAY ONLY BE APPLIED AGAINST THE TAX LIABILITY

1 ACCRUING DURING THE MONTH THE CONTRIBUTION IS MADE. THE CREDIT MAY  
2 NOT EXCEED THE LESSER OF 10 PERCENT OF THE AMOUNT OF TAX DUE UNDER  
3 AS 43.55.011 - 43.55.150 OR \$10,000. A CONTRIBUTION CLAIMED AS A CREDIT UNDER  
4 THIS SECTION MAY NOT BE CLAIMED AS A CREDIT UNDER ANOTHER PROVISION  
5 OF THIS TITLE].

6 \* Sec. 5. AS 43.55.019 is amended by adding new subsections to read:

7 (d) A contribution claimed as a credit under this section may not

8 (1) be claimed as a credit under another provision of this title; and

9 (2) when combined with credits taken during the taxpayer's tax year under  
10 AS 43.20.014, AS 43.56.018, AS 43.65.018, or AS 43.75.018, exceed \$150,000.

11 (e) The department may, by regulation, establish procedures by which a taxpayer may  
12 allocate a pro rata share of a credit claimed under this section against monthly tax payments  
13 made during the tax year.

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

15 (a) For cash contributions accepted for direct instruction, research, and educational  
16 support purposes, including library and museum acquisitions, and contributions to  
17 endowment, by a nonprofit, public or private, Alaska two-year or four-year college or  
18 university accredited by a regional accreditation association, the [THE] owner of property  
19 taxable under this chapter is allowed as a credit against the tax due under this chapter

20 (1) 50 percent of [CASH] contributions of not more than \$100,000; and

21 (2) 100 percent of the next \$100,000 of contributions [ACCEPTED FOR  
22 DIRECT INSTRUCTION, RESEARCH, AND EDUCATIONAL SUPPORT PURPOSES,  
23 INCLUDING LIBRARY AND MUSEUM ACQUISITIONS, BY AN ACCREDITED,  
24 NONPROFIT, PUBLIC OR PRIVATE, ALASKA, TWO- OR FOUR-YEAR, COLLEGE OR  
25 UNIVERSITY. THE CREDIT MAY ONLY BE APPLIED AGAINST THE TAX LIABILITY  
26 ACCRUING DURING THE MONTH THE CONTRIBUTION IS MADE. THE CREDIT MAY  
27 NOT EXCEED THE LESSER OF 10 PERCENT OF THE AMOUNT OF TAX DUE UNDER  
28 THIS CHAPTER OR \$10,000. A CONTRIBUTION CLAIMED AS A CREDIT UNDER THIS  
29 SECTION MAY NOT BE CLAIMED AS A CREDIT UNDER ANOTHER PROVISION OF  
30 THIS TITLE].

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1 \* Sec. 7. AS 43.56.018 is amended by adding new subsections to read:

2 (d) A contribution claimed as a credit under this section may not

3 (1) be claimed as a credit under another provision of this title; and

4 (2) when combined with credits taken during the taxpayer's tax year under  
5 AS 43.20.014, AS 43.55.019, AS 43.65.018, or AS 43.75.018, exceed \$150,000.

6 (e) The department may, by regulation, establish procedures by which a taxpayer may  
7 allocate a pro rata share of a credit claimed under this section against monthly tax payments  
8 made during the tax year.

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

10 (a) For cash contributions accepted for direct instruction, research, and educational  
11 support purposes, including library and museum acquisitions, and contributions to  
12 endowment, by a nonprofit public or private, Alaska two-year or four-year college or  
13 university accredited by a regional accreditation association, a [A] person engaged in the  
14 business of mining in the state is allowed as a credit against the tax due under this chapter

15 (1) 50 percent of [CASH] contributions of not more than [ACCEPTED FOR  
16 DIRECT INSTRUCTION, RESEARCH, AND EDUCATIONAL SUPPORT PURPOSES,  
17 INCLUDING LIBRARY AND MUSEUM ACQUISITIONS, BY AN ACCREDITED,  
18 NONPROFIT, PUBLIC OR PRIVATE, ALASKA, TWO- OR FOUR-YEAR, COLLEGE OR  
19 UNIVERSITY. THE CREDIT MAY NOT EXCEED THE LESSER OF 10 PERCENT OF THE  
20 AMOUNT OF TAX DUE UNDER THIS CHAPTER OR] \$100,000; and

21 (2) 100 percent of the next \$100,000 of contributions. [A CONTRIBUTION  
22 CLAIMED AS A CREDIT UNDER THIS SECTION MAY NOT BE CLAIMED AS A CREDIT  
23 UNDER ANOTHER PROVISION OF THIS TITLE.]

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

25 (d) A contribution claimed as a credit under this section may not

26 (1) be claimed as a credit under another provision of this title; and

27 (2) when combined with credits taken during the taxpayer's tax year under  
28 AS 43.20.014, AS 43.55.019, AS 43.56.018, or AS 43.75.018, exceed \$150,000.

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

30 (a) For cash contributions accepted for direct instruction, research, and educational

1 support purposes, including library and museum acquisitions and contributions to  
2 endowment, by a nonprofit, public or private, Alaska two-year or four-year college or  
3 university accredited by a regional accreditation association, a [A] person engaged in a  
4 fisheries business is allowed as a credit against the tax due under this chapter

5 (1) 50 percent of [CASH] contributions of not more than [ACCEPTED FOR  
6 DIRECT INSTRUCTION, RESEARCH, AND EDUCATIONAL SUPPORT PURPOSES,  
7 INCLUDING LIBRARY AND MUSEUM ACQUISITIONS, BY AN ACCREDITED,  
8 NONPROFIT, PUBLIC OR PRIVATE, ALASKA, TWO- OR FOUR-YEAR, COLLEGE OR  
9 UNIVERSITY. THE CREDIT MAY NOT EXCEED THE LESSER OF 10 PERCENT OF THE  
10 AMOUNT OF TAX DUE UNDER THIS CHAPTER OR] \$100,000; and

11 (2) 100 percent of the next \$100,000 of contributions. [A CONTRIBUTION  
12 CLAIMED AS A CREDIT UNDER THIS SECTION MAY NOT BE CLAIMED AS A CREDIT  
13 UNDER ANOTHER PROVISION OF THIS TITLE.]

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

15 (d) A contribution claimed as a credit under this section may not

16 (1) be claimed as a credit under another provision of this title; and

17 (2) when combined with credits taken during the taxpayer's tax year under

18 AS 43.20.014, AS 43.55.019, AS 43.56.018, or AS 43.65.018, exceed \$150,000.

19 \* Sec. 12. AS 43.20.014(b), AS 43.55.019(b), AS 43.56.018(b), AS 43.65.018(b), and  
20 AS 43.75.018(b) are repealed.

21 \* Sec. 13. This Act takes effect January 1, 1992, and applies to tax years beginning after  
22 December 31, 1991.