



LAWS OF ALASKA

2008

Source

SCS CSHB 61(FIN)

Chapter No.

AN ACT

Relating to tax credits for cash contributions by taxpayers that are accepted for certain educational purposes, including vocational education programs and courses at the secondary school level and to tax credits for cash contributions by tax payers that are accepted by a state-operated vocational technical education and training school; and providing for an effective date.

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

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Relating to tax credits for cash contributions by taxpayers that are accepted for certain
2 educational purposes, including vocational education programs and courses at the secondary
3 school level and to tax credits for cash contributions by tax payers that are accepted by a state-
4 operated vocational technical education and training school; and providing for an effective
5 date.

6

7 * **Section 1.** AS 21.89.070 is repealed and reenacted to read:

8 **Sec. 21.89.070. Insurance tax education credit.** (a) A taxpayer is allowed a
9 credit against the tax due under AS 21.09.210 or AS 21.66.110 for cash contributions
10 accepted

11 (1) for direct instruction, research, and educational support purposes,
12 including library and museum acquisitions, and contributions to endowment, by an
13 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or

1 four-year college accredited by a regional accreditation association;

2 (2) for secondary school level vocational education courses and
3 programs by a school district in the state; and

4 (3) by a state-operated vocational technical education and training
5 school.

6 (b) The amount of the credit is the lesser of

7 (1) an amount equal to

8 (A) 50 percent of contributions of not more than \$100,000; and

9 (B) 100 percent of the next \$100,000 of contributions; or

10 (2) 50 percent of the taxpayer's tax liability under this title.

11 (c) Each public college and university shall include in its annual operating
12 budget request contributions received and how the contributions were used.

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

14 (1) be claimed as a credit under more than one provision of this title;
15 and

16 (2) when combined with credits taken during the taxpayer's tax year
17 under AS 21.89.075, AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018,
18 AS 43.75.018, or AS 43.77.045, exceed \$150,000.

19 (e) In this section,

20 (1) "school district" has the meaning given in AS 14.03.126;

21 (2) "vocational education" has the meaning given in AS 43.20.014.

22 * **Sec. 2.** AS 43.20.014 is repealed and reenacted to read:

23 **Sec. 43.20.014. Income tax education credit.** (a) A taxpayer is allowed a
24 credit against the tax due under this chapter for cash contributions accepted

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

29 (2) for secondary school level vocational education courses and
30 programs by a school district in the state; and

31 (3) by a state-operated vocational technical education and training

1 school.

2 (b) The amount of the credit is

3 (1) 50 percent of contributions of not more than \$100,000; and

4 (2) 100 percent of the next \$100,000 of contributions.

5 (c) Each public college and university shall include in its annual operating
6 budget request contributions received and how the contributions were used.

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;

9 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax
10 imposed by this chapter; and

11 (3) when combined with credits taken during the taxpayer's tax year
12 under AS 21.89.070, 21.89.075, AS 43.55.019, AS 43.56.018, AS 43.65.018,
13 AS 43.75.018, or AS 43.77.045, exceed \$150,000.

14 (e) In this section,

15 (1) "school district" has the meaning given in AS 14.03.126;

16 (2) "vocational education" means organized educational activities that
17 offer a sequence of courses that provides individuals with the academic and technical
18 knowledge and skills the individuals need to prepare for further education and for
19 careers other than careers requiring a baccalaureate, master's, or doctoral degree.

20 * **Sec. 3.** AS 43.55.019 is repealed and reenacted to read:

21 **Sec. 43.55.019. Oil or gas producer education credit.** (a) A producer of oil
22 or gas is allowed a credit against the tax due under this chapter for cash contributions
23 accepted

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

28 (2) for secondary school level vocational education courses and
29 programs by a school district in the state; and

30 (3) by a state-operated vocational technical education and training
31 school.

1 (b) The amount of the credit is

2 (1) 50 percent of contributions of not more than \$100,000; and

3 (2) 100 percent of the next \$100,000 of contributions.

4 (c) Each public college and university shall include in its annual operating
5 budget request contributions received and how the contributions were used.

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

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

8 (2) when combined with credits taken during the taxpayer's tax year
9 under AS 21.89.070, 21.89.075, AS 43.20.014, AS 43.56.018, AS 43.65.018,
10 AS 43.75.018, or AS 43.77.045, exceed \$150,000.

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

14 (f) In this section,

15 (1) "school district" has the meaning given in AS 14.03.126;

16 (2) "vocational education" has the meaning given in AS 43.20.014.

17 * **Sec. 4.** AS 43.56.018 is repealed and reenacted to read:

18 **Sec. 43.56.018. Property tax education credit.** (a) The owner of property
19 taxable under this chapter is allowed a credit against the tax due under this chapter for
20 cash contributions accepted

21 (1) for direct instruction, research, and educational support purposes,
22 including library and museum acquisitions, and contributions to endowment, by an
23 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
24 four-year college accredited by a regional accreditation association;

25 (2) for secondary school level vocational education courses and
26 programs by a school district in the state; and

27 (3) by a state-operated vocational technical education and training
28 school.

29 (b) The amount of the credit is

30 (1) 50 percent of contributions of not more than \$100,000; and

31 (2) 100 percent of the next \$100,000 of contributions.

1 (c) Each public college and university shall include in its annual operating
2 budget request contributions received and how the contributions were used.

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

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

5 (2) when combined with credits taken during the taxpayer's tax year
6 under AS 21.89.070, 21.89.075, AS 43.20.014, AS 43.55.019, AS 43.65.018,
7 AS 43.75.018, or AS 43.77.045, exceed \$150,000.

8 (e) In this section,

9 (1) "school district" has the meaning given in AS 14.03.126;

10 (2) "vocational education" has the meaning given in AS 43.20.014.

11 * **Sec. 5.** AS 43.65.018 is repealed and reenacted to read:

12 **Sec. 43.65.018. Mining business education credit.** (a) A person engaged in
13 the business of mining in the state is allowed a credit against the tax due under this
14 chapter for cash contributions accepted

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

19 (2) for secondary school level vocational education courses and
20 programs by a school district in the state; and

21 (3) by a state-operated vocational technical education and training
22 school.

23 (b) The amount of the credit is

24 (1) 50 percent of contributions of not more than \$100,000; and

25 (2) 100 percent of the next \$100,000 of contributions.

26 (c) Each public college and university shall include in its annual operating
27 budget request contributions received and how the contributions were used.

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

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

30 (2) when combined with credits taken during the taxpayer's tax year
31 under AS 21.89.070, 21.89.075, AS 43.20.014, AS 43.55.019, AS 43.56.018,

1 AS 43.75.018, or AS 43.77.045, exceed \$150,000.

2 (e) In this section,

3 (1) "school district" has the meaning given in AS 14.03.126;

4 (2) "vocational education" has the meaning given in AS 43.20.014.

5 * **Sec. 6.** AS 43.75.018 is repealed and reenacted to read:

6 **Sec. 43.75.018. Fisheries business education credit.** (a) A person engaged in
7 a fisheries business is allowed a credit against the tax due under this chapter for cash
8 contributions accepted

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

13 (2) for secondary school level vocational education courses and
14 programs by a school district in the state; and

15 (3) by a state-operated vocational technical education and training
16 school.

17 (b) The amount of the credit is

18 (1) 50 percent of contributions of not more than \$100,000; and

19 (2) 100 percent of the next \$100,000 of contributions.

20 (c) Each public college and university shall include in its annual operating
21 budget request contributions received and how the contributions were used.

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

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

24 (2) when combined with credits taken during the taxpayer's tax year
25 under AS 21.89.070, 21.89.075, AS 43.20.014, AS 43.55.019, AS 43.56.018,
26 AS 43.65.018, or AS 43.77.045, exceed \$150,000.

27 (e) In this section,

28 (1) "school district" has the meaning given in AS 14.03.126;

29 (2) "vocational education" has the meaning given in AS 43.20.014.

30 * **Sec. 7.** AS 43.77.045 is repealed and reenacted to read:

31 **Sec. 43.77.045. Floating fisheries business education credit.** (a) In addition

1 to the credit allowed under AS 43.77.040, a person engaged in a floating fisheries
2 business is allowed a credit against the tax due under this chapter for cash
3 contributions accepted

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

8 (2) for secondary school level vocational education courses and
9 programs by a school district in the state; and

10 (3) by a state-operated vocational technical education and training
11 school.

12 (b) The amount of the credit is

13 (1) 50 percent of contributions of not more than \$100,000; and

14 (2) 100 percent of the next \$100,000 of contributions.

15 (c) Each public college and university shall include in its annual operating
16 budget request contributions received and how the contributions were used.

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

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

19 (2) when combined with credits taken during the taxpayer's tax year
20 under AS 21.89.070, 21.89.075, AS 43.20.014, AS 43.55.019, AS 43.56.018,
21 AS 43.65.018, or AS 43.75.018, exceed \$150,000.

22 (e) In this section,

23 (1) "school district" has the meaning given in AS 14.03.126;

24 (2) "vocational education" has the meaning given in AS 43.20.014.

25 * **Sec. 8.** This Act takes effect January 1, 2009.