

CS FOR SENATE BILL NO. 236(EDC)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SIXTH LEGISLATURE - SECOND SESSION

BY THE SENATE EDUCATION COMMITTEE

Offered: 2/18/10

Referred: Finance

Sponsor(s): SENATE EDUCATION COMMITTEE

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to tax credits for cash contributions by taxpayers that are accepted for**
2 **certain educational purposes and facilities; and providing for an effective date."**

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

4 *** Section 1.** AS 21.06.110 is amended to read:

5 **Sec. 21.06.110. Director's annual report.** As early in each calendar year as is
6 reasonably possible, the director shall prepare and deliver an annual report to the
7 commissioner, who shall notify the legislature that the report is available, showing,
8 with respect to the preceding calendar year,

9 (1) a list of the authorized insurers transacting insurance in this state,
10 with a summary of their financial statement as the director considers appropriate;

11 (2) the name of each insurer whose certificate of authority was
12 surrendered, suspended, or revoked during the year and the cause of surrender,
13 suspension, or revocation;

14 (3) the name of each insurer authorized to do business in this state

1 against which delinquency or similar proceedings were instituted and, if against an
 2 insurer domiciled in this state, a concise statement of the facts with respect to each
 3 proceeding and its present status;

4 (4) a statement in regard to examination of rating organizations,
 5 advisory organizations, joint underwriters, and joint reinsurers as required by
 6 AS 21.39.120;

7 (5) the receipt and expenses of the division for the year;

8 (6) recommendations of the director as to amendments or
 9 supplementation of laws affecting insurance or the office of director;

10 (7) statistical information regarding health insurance, including the
 11 number of individual and group policies sold or terminated in the state; this paragraph
 12 does not authorize the director to require an insurer to release proprietary information;

13 (8) the annual percentage of health claims paid in the state that meets
 14 the requirements of AS 21.36.128(a) and (d); [AND]

15 (9) **the total amount of contributions reported and the total**
 16 **amount of credit claimed under AS 21.89.070 and 21.89.075; and**

17 **(10)** other pertinent information and matters the director considers
 18 proper.

19 * **Sec. 2.** AS 21.89.070(a) is amended to read:

20 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
 21 AS 21.66.110 for cash contributions accepted

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

26 (2) for secondary school level vocational education courses, [AND]
 27 programs, **and facilities** by a school district in the state; [AND]

28 (3) **for vocational education courses, programs, and facilities** by a
 29 state-operated vocational technical education and training school; **and**

30 **(4) for a facility by a nonprofit, public or private, Alaska two-year**
 31 **or four-year college accredited by a regional accreditation association.**

1 * **Sec. 3.** AS 21.89.070(a), as amended by sec. 2 of this Act, is amended to read:

2 (a) A taxpayer is allowed a credit against the tax due under AS 21.09.210 or
3 AS 21.66.110 for cash 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 [, AND FACILITIES] by a school district in the state; **and**

10 (3) [FOR VOCATIONAL EDUCATION COURSES, PROGRAMS,
11 AND FACILITIES] by a state-operated vocational technical education and training
12 school [; AND

13 (4) FOR A FACILITY BY A NONPROFIT, PUBLIC OR PRIVATE,
14 ALASKA TWO-YEAR OR FOUR-YEAR COLLEGE ACCREDITED BY A
15 REGIONAL ACCREDITATION ASSOCIATION].

16 * **Sec. 4.** AS 21.89.070(b) is amended to read:

17 (b) The amount of the credit is [THE LESSER OF

18 (1)] an amount equal to

19 **(1)** [(A)] 50 percent of contributions of not more than \$100,000;

20 **(2)** [AND (B)] 100 percent of the next **\$200,000** [\$100,000] of
21 contributions; **and**

22 **(3) 50 percent of the amount of contributions that exceed \$300,000**

23 [OR

24 (2) 50 PERCENT OF THE TAXPAYER'S TAX LIABILITY UNDER
25 THIS TITLE].

26 * **Sec. 5.** AS 21.89.070(b), as amended by sec. 4 of this Act, is amended to read:

27 (b) The amount of the credit is **the lesser of**

28 **(1)** an amount equal to

29 **(A)** [(1)] 50 percent of contributions of not more than
30 \$100,000; **and**

31 **(B)** [(2)] 100 percent of the next **\$100,000** [\$200,000] of

1 contributions; **or**

2 **(2) 50 percent of the taxpayer's tax liability under this title** [AND

3 (3) 50 PERCENT OF THE AMOUNT OF CONTRIBUTIONS THAT
4 EXCEED \$300,000].

5 * **Sec. 6.** AS 21.89.070(d) is amended to read:

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

7 (1) be **the basis for a credit** claimed [AS A CREDIT] under more
8 than one provision of this title; and

9 (2) when combined with **contributions that are the basis for** credits
10 taken during the taxpayer's tax year under AS 21.89.075, AS 43.20.014,
11 AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, **result in**
12 **the total amount of credits exceeding \$25,000,000** [EXCEED \$150,000].

13 * **Sec. 7.** AS 21.89.070(d), as amended by sec. 6 of this Act, is amended to read:

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

15 (1) be the basis for a credit claimed under more than one provision of
16 this title; and

17 (2) when combined with contributions that are the basis for credits
18 taken during the taxpayer's tax year under AS 21.89.075, AS 43.20.014,
19 AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in
20 the total amount of credits exceeding **\$150,000** [\$25,000,000].

21 * **Sec. 8.** AS 21.89.070 is amended by adding a new subsection to read:

22 (f) The credit under this section may not reduce a person's tax liability under
23 AS 21.09.210 or AS 21.66.110 to below zero for any tax year. An unused credit or
24 portion of a credit not used under this section for a tax year may not be sold, traded,
25 transferred, or applied in a subsequent tax year.

26 * **Sec. 9.** AS 21.89.075(c) is amended to read:

27 (c) A contribution claimed by a taxpayer as a credit under this section may not

28 (1) be **the basis for a credit** claimed [AS A CREDIT] under more
29 than one provision of this title;

30 (2) when combined with **contributions that are the basis for** credits
31 taken during the taxpayer's tax year under AS 21.89.070, AS 43.20.014,

1 AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, **result in**
 2 **the total amount of credits exceeding \$25,000,000** [EXCEED \$150,000]; or

3 (3) be claimed as a credit unless the contribution qualifies for the credit
 4 under (d) of this section.

5 * **Sec. 10.** AS 21.89.075(c), as amended by sec. 9 of this Act, is amended to read:

6 (c) A contribution claimed by a taxpayer as a credit under this section may not

7 (1) be the basis for a credit claimed under more than one provision of
 8 this title;

9 (2) when combined with contributions that are the basis for credits
 10 taken during the taxpayer's tax year under AS 21.89.070, AS 43.20.014,
 11 AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in
 12 the total amount of credits exceeding **\$150,000** [\$25,000,000]; or

13 (3) be claimed as a credit unless the contribution qualifies for the credit
 14 under (d) of this section.

15 * **Sec. 11.** AS 21.89.075 is amended by adding a new subsection to read:

16 (f) The credit under this section may not reduce a person's tax liability under
 17 AS 21.09.210 to below zero for any tax year. An unused credit or portion of a credit
 18 not used under this section for a calendar year may not be sold, traded, transferred, or
 19 applied in a subsequent calendar year.

20 * **Sec. 12.** AS 43.05.010 is amended to read:

21 **Sec. 43.05.010. Duties of commissioner.** The commissioner of revenue shall

22 (1) exercise general supervision and direct the activities of the
 23 Department of Revenue;

24 (2) supervise the fiscal affairs and responsibilities of the department;

25 (3) prescribe uniform rules for investigations and hearings;

26 (4) keep a record of all departmental proceedings, record and file all
 27 bonds, and assume custody of returns, reports, papers, and documents of the
 28 department;

29 (5) adopt a seal and affix it to each order, process, or certificate issued
 30 by the commissioner;

31 (6) keep a record of each order, process, and certificate issued by the

1 commissioner, and keep the record open to public inspection at all reasonable times;

2 (7) hold hearings and investigations necessary for the administration of
3 state tax and revenue laws;

4 (8) except as provided in AS 43.05.405 - 43.05.499 and in
5 AS 44.64.030, hear and determine appeals of a matter within the jurisdiction of the
6 Department of Revenue and enter orders on the appeals that are final unless reversed
7 or modified by the courts;

8 (9) issue subpoenas to require the attendance of witnesses and the
9 production of necessary books, papers, documents, correspondence, and other things;

10 (10) order the taking of depositions before a person competent to
11 administer oaths;

12 (11) administer oaths and take acknowledgments;

13 (12) request the attorney general for rulings on the interpretation of the
14 tax and revenue laws administered by the department;

15 (13) call upon the attorney general to institute actions for recovery of
16 unpaid taxes, fees, excises, additions to tax, penalties, and interest;

17 (14) issue warrants for the collection of unpaid tax penalties and
18 interest and take all steps necessary and proper to enforce full and complete
19 compliance with the tax, license, excise, and other revenue laws of the state;

20 (15) **report to the legislature before February 15 of each year the**
21 **total amount of contributions reported and the total amount of credit claimed**
22 **during the previous calendar year under AS 43.20.014, AS 43.55.019,**
23 **AS 43.56.018, AS 43.65.018, AS 43.75.018, and AS 43.77.045** [REPEALED].

24 * **Sec. 13.** AS 43.20.014(a) is amended to read:

25 (a) A taxpayer is allowed a credit against the tax due under this chapter for
26 cash contributions accepted

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

31 (2) for secondary school level vocational education courses, [AND]

1 programs, **and facilities** by a school district in the state; [AND]

2 (3) **for vocational education courses, programs, and facilities** by a
3 state-operated vocational technical education and training school; **and**

4 **(4) for a facility by a nonprofit, public or private, Alaska two-year**
5 **or four-year college accredited by a regional accreditation association.**

6 * **Sec. 14.** AS 43.20.014(a), as amended by sec. 13 of this Act, is amended to read:

7 (a) A taxpayer is allowed a credit against the tax due under this chapter for
8 cash 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 [, AND FACILITIES] by a school district in the state; **and**

15 (3) [FOR VOCATIONAL EDUCATION COURSES, PROGRAMS,
16 AND FACILITIES] by a state-operated vocational technical education and training
17 school [; AND

18 (4) FOR A FACILITY BY A NONPROFIT, PUBLIC OR PRIVATE,
19 ALASKA TWO-YEAR OR FOUR-YEAR COLLEGE ACCREDITED BY A
20 REGIONAL ACCREDITATION ASSOCIATION].

21 * **Sec. 15.** AS 43.20.014(b) is amended to read:

22 (b) The amount of the credit is

23 (1) 50 percent of contributions of not more than \$100,000; [AND]

24 (2) 100 percent of the next **\$200,000** [\$100,000] of contributions; **and**

25 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

26 * **Sec. 16.** AS 43.20.014(b), as amended by sec. 15 of this Act, is amended to read:

27 (b) The amount of the credit is

28 (1) 50 percent of contributions of not more than \$100,000; **and**

29 (2) 100 percent of the next **\$100,000** [\$200,000] of contributions [;

30 AND

31 (3) 50 PERCENT OF THE AMOUNT OF CONTRIBUTIONS THAT

1 EXCEED \$300,000].

2 * **Sec. 17.** AS 43.20.014(d) is amended to read:

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

4 (1) be **the basis for a credit** claimed [AS A CREDIT] under another
5 provision of this title;

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

8 (3) when combined with **contributions that are the basis for** credits
9 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.55.019,
10 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, **result in the total**
11 **amount of credits exceeding \$25,000,000** [EXCEED \$150,000].

12 * **Sec. 18.** AS 43.20.014(d), as amended by sec. 17 of this Act, is amended to read:

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

14 (1) be the basis for a credit claimed under another provision of this
15 title;

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

18 (3) when combined with contributions that are the basis for credits
19 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.55.019,
20 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
21 amount of credits exceeding **\$150,000** [\$25,000,000].

22 * **Sec. 19.** AS 43.20.014 is amended by adding a new subsection to read:

23 (f) The credit under this section may not reduce a person's tax liability under
24 this chapter to below zero for any tax year. An unused credit or portion of a credit not
25 used under this section for a tax year may not be sold, traded, transferred, or applied in
26 a subsequent tax year.

27 * **Sec. 20.** AS 43.55.019(a) is amended to read:

28 (a) A producer of oil or gas is allowed a credit against the tax due under this
29 chapter for cash contributions accepted

30 (1) for direct instruction, research, and educational support purposes,
31 including library and museum acquisitions, and contributions to endowment, by an

1 Alaska university foundation or by a nonprofit, public or private, Alaska two-year or
2 four-year college accredited by a regional accreditation association;

3 (2) for secondary school level vocational education courses, [AND]
4 programs, and facilities by a school district in the state; [AND]

5 (3) for vocational education courses, programs, and facilities by a
6 state-operated vocational technical education and training school; and

7 (4) for a facility by a nonprofit, public or private, Alaska two-year
8 or four-year college accredited by a regional accreditation association.

9 * **Sec. 21.** AS 43.55.019(a), as amended by sec. 20 of this Act, is amended to read:

10 (a) A producer of oil or gas is allowed a credit against the tax due under this
11 chapter for cash contributions accepted

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

16 (2) for secondary school level vocational education courses and [,]
17 programs [, AND FACILITIES] by a school district in the state; and

18 (3) [FOR VOCATIONAL EDUCATION COURSES, PROGRAMS,
19 AND FACILITIES] by a state-operated vocational technical education and training
20 school [; AND

21 (4) FOR A FACILITY BY A NONPROFIT, PUBLIC OR PRIVATE,
22 ALASKA TWO-YEAR OR FOUR-YEAR COLLEGE ACCREDITED BY A
23 REGIONAL ACCREDITATION ASSOCIATION].

24 * **Sec. 22.** AS 43.55.019(b) is amended to read:

25 (b) The amount of the credit is

26 (1) 50 percent of contributions of not more than \$100,000; [AND]

27 (2) 100 percent of the next \$200,000 [\$100,000] of contributions; and

28 (3) 50 percent of the amount of contributions that exceed \$300,000.

29 * **Sec. 23.** AS 43.55.019(b), as amended by sec. 22 of this Act, is amended to read:

30 (b) The amount of the credit is

31 (1) 50 percent of contributions of not more than \$100,000; and

1 (2) 100 percent of the next \$100,000 [\$200,000] of contributions [;
2 AND

3 (3) 50 PERCENT OF THE AMOUNT OF CONTRIBUTIONS THAT
4 EXCEED \$300,000].

5 * **Sec. 24.** AS 43.55.019(d) is amended to read:

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

7 (1) be the basis for a credit claimed [AS A CREDIT] under another
8 provision of this title; and

9 (2) when combined with contributions that are the basis for credits
10 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
11 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
12 amount of credits exceeding \$25,000,000 [EXCEED \$150,000].

13 * **Sec. 25.** AS 43.55.019(d), as amended by sec. 24 of this Act, is amended to read:

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

15 (1) be the basis for a credit claimed under another provision of this
16 title; and

17 (2) when combined with contributions that are the basis for credits
18 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
19 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
20 amount of credits exceeding \$150,000 [\$25,000,000].

21 * **Sec. 26.** AS 43.55.019 is amended by adding a new subsection to read:

22 (f) The credit under this section may not reduce a person's tax liability under
23 this chapter to below zero for any tax year. An unused credit or portion of a credit not
24 used under this section for a tax year may not be sold, traded, transferred, or applied in
25 a subsequent tax year.

26 * **Sec. 27.** AS 43.56.018(a) is amended to read:

27 (a) The owner of property taxable under this chapter is allowed a credit
28 against the tax due under this chapter for cash contributions accepted

29 (1) for direct instruction, research, and educational support purposes,
30 including library and museum acquisitions, and contributions to endowment, by an
31 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, and facilities by a school district in the state; [AND]

4 (3) for vocational education courses, programs, and facilities by a
5 state-operated vocational technical education and training school; and

6 (4) for a facility by a nonprofit, public or private, Alaska two-year
7 or four-year college accredited by a regional accreditation association.

8 * **Sec. 28.** AS 43.56.018(a), as amended by sec. 27 of this Act, is amended to read:

9 (a) The owner of property taxable under this chapter is allowed a credit
10 against the tax due under this chapter for cash contributions 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
14 four-year college accredited by a regional accreditation association;

15 (2) for secondary school level vocational education courses and [,]
16 programs [, AND FACILITIES] by a school district in the state; and

17 (3) [FOR VOCATIONAL EDUCATION COURSES, PROGRAMS,
18 AND FACILITIES] by a state-operated vocational technical education and training
19 school [; AND

20 (4) FOR A FACILITY BY A NONPROFIT, PUBLIC OR PRIVATE,
21 ALASKA TWO-YEAR OR FOUR-YEAR COLLEGE ACCREDITED BY A
22 REGIONAL ACCREDITATION ASSOCIATION].

23 * **Sec. 29.** AS 43.56.018(b) is amended to read:

24 (b) The amount of the credit is

25 (1) 50 percent of contributions of not more than \$100,000; [AND]

26 (2) 100 percent of the next \$200,000 [\$100,000] of contributions; and

27 (3) 50 percent of the amount of contributions that exceed \$300,000.

28 * **Sec. 30.** AS 43.56.018(b), as amended by sec. 29 of this Act, is amended to read:

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 [\$200,000] of contributions [;

1 AND

2 (3) 50 PERCENT OF THE AMOUNT OF CONTRIBUTIONS THAT
3 EXCEED \$300,000].

4 * **Sec. 31.** AS 43.56.018(d) is amended to read:

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

6 (1) be **the basis for a credit** claimed [AS A CREDIT] under another
7 provision of this title; and

8 (2) when combined with **contributions that are the basis for** credits
9 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
10 AS 43.55.019, AS 43.65.018, AS 43.75.018, or AS 43.77.045, **result in the total**
11 **amount of credits exceeding \$25,000,000** [EXCEED \$150,000].

12 * **Sec. 32.** AS 43.56.018(d), as amended by sec. 31 of this Act, is amended to read:

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

14 (1) be the basis for a credit claimed under another provision of this
15 title; and

16 (2) when combined with contributions that are the basis for credits
17 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
18 AS 43.55.019, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total
19 amount of credits exceeding **\$150,000** [\$25,000,000].

20 * **Sec. 33.** AS 43.56.018 is amended by adding a new subsection to read:

21 (f) The credit under this section may not reduce a person's tax liability under
22 this chapter to below zero for any tax year. An unused credit or portion of a credit not
23 used under this section for a tax year may not be sold, traded, transferred, or applied in
24 a subsequent tax year.

25 * **Sec. 34.** AS 43.65.018(a) is amended to read:

26 (a) A person engaged in the business of mining in the state is allowed a credit
27 against the tax due under this chapter for cash contributions accepted

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

1 (2) for secondary school level vocational education courses, [AND]
2 programs, **and facilities** by a school district in the state; [AND]

3 (3) **for vocational education courses, programs, and facilities** by a
4 state-operated vocational technical education and training school; **and**

5 **(4) for a facility by a nonprofit, public or private, Alaska two-year**
6 **or four-year college accredited by a regional accreditation association.**

7 * **Sec. 35.** AS 43.65.018(a), as amended by sec. 34 of this Act, is amended to read:

8 (a) A person engaged in the business of mining in the state is allowed a credit
9 against the tax due under this chapter for cash contributions accepted

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

14 (2) for secondary school level vocational education courses **and** [,]
15 programs [, AND FACILITIES] by a school district in the state; **and**

16 (3) [FOR VOCATIONAL EDUCATION COURSES, PROGRAMS,
17 AND FACILITIES] by a state-operated vocational technical education and training
18 school [; AND

19 (4) FOR A FACILITY BY A NONPROFIT, PUBLIC OR PRIVATE,
20 ALASKA TWO-YEAR OR FOUR-YEAR COLLEGE ACCREDITED BY A
21 REGIONAL ACCREDITATION ASSOCIATION].

22 * **Sec. 36.** AS 43.65.018(b) is amended to read:

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 **\$200,000** [\$100,000] of contributions; **and**

26 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

27 * **Sec. 37.** AS 43.65.018(b), as amended by sec. 36 of this Act, is amended to read:

28 (b) The amount of the credit is

29 (1) 50 percent of contributions of not more than \$100,000; **and**

30 (2) 100 percent of the next **\$100,000** [\$200,000] of contributions [;

31 AND

1 (3) 50 PERCENT OF THE AMOUNT OF CONTRIBUTIONS THAT
2 EXCEED \$300,000].

3 * **Sec. 38.** AS 43.65.018(d) is amended to read:

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

5 (1) be the basis for a credit claimed [AS A CREDIT] under another
6 provision of this title; and

7 (2) when combined with contributions that are the basis for credits
8 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
9 AS 43.55.019, AS 43.56.018, AS 43.75.018, or AS 43.77.045, result in the total
10 amount of the credits exceeding \$25,000,000 [EXCEED \$150,000].

11 * **Sec. 39.** AS 43.65.018(d), as amended by sec. 38 of this Act, is amended to read:

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

13 (1) be the basis for a credit claimed under another provision of this
14 title; and

15 (2) when combined with contributions that are the basis for credits
16 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
17 AS 43.55.019, AS 43.56.018, AS 43.75.018, or AS 43.77.045, result in the total
18 amount of the credits exceeding \$150,000 [\$25,000,000].

19 * **Sec. 40.** AS 43.65.018 is amended by adding a new subsection to read:

20 (f) The credit under this section may not reduce a person's tax liability under
21 this chapter to below zero for any tax year. An unused credit or portion of a credit not
22 used under this section for a tax year may not be sold, traded, transferred, or applied in
23 a subsequent tax year.

24 * **Sec. 41.** AS 43.75.018(a) is amended to read:

25 (a) A person engaged in a fisheries business is allowed a credit against the tax
26 due under this chapter for cash contributions accepted

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

31 (2) for secondary school level vocational education courses, [AND]

1 programs, **and facilities** by a school district in the state; [AND]

2 (3) **for vocational education courses, programs, and facilities** by a
3 state-operated vocational technical education and training school; **and**

4 **(4) for a facility by a nonprofit, public or private, Alaska two-year**
5 **or four-year college accredited by a regional accreditation association.**

6 * **Sec. 42.** AS 43.75.018(a), as amended by sec. 41 of this Act, is amended to read:

7 (a) A person engaged in a fisheries business is allowed a credit against the tax
8 due under this chapter for cash 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 [, AND FACILITIES] by a school district in the state; **and**

15 (3) [FOR VOCATIONAL EDUCATION COURSES, PROGRAMS,
16 AND FACILITIES] by a state-operated vocational technical education and training
17 school [; AND

18 (4) FOR A FACILITY BY A NONPROFIT, PUBLIC OR PRIVATE,
19 ALASKA TWO-YEAR OR FOUR-YEAR COLLEGE ACCREDITED BY A
20 REGIONAL ACCREDITATION ASSOCIATION].

21 * **Sec. 43.** AS 43.75.018(b) is amended to read:

22 (b) The amount of the credit is

23 (1) 50 percent of contributions of not more than \$100,000; [AND]

24 (2) 100 percent of the next **\$200,000** [\$100,000] of contributions; **and**

25 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

26 * **Sec. 44.** AS 43.75.018(b), as amended by sec. 43 of this Act, is amended to read:

27 (b) The amount of the credit is

28 (1) 50 percent of contributions of not more than \$100,000; **and**

29 (2) 100 percent of the next **\$100,000** [\$200,000] of contributions [;

30 AND

31 (3) 50 PERCENT OF THE AMOUNT OF CONTRIBUTIONS THAT

1 EXCEED \$300,000].

2 * **Sec. 45.** AS 43.75.018(d) is amended to read:

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

4 (1) be **the basis for a credit** claimed [AS A CREDIT] under another
5 provision of this title; and

6 (2) when combined with **contributions that are the basis for** credits
7 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
8 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.77.045, **result in the total**
9 **amount of the credits exceeding \$25,000,000** [EXCEED \$150,000].

10 * **Sec. 46.** AS 43.75.018(d), as amended by sec. 45 of this Act, is amended to read:

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

12 (1) be the basis for a credit claimed under another provision of this
13 title; and

14 (2) when combined with contributions that are the basis for credits
15 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
16 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.77.045, result in the total
17 amount of the credits exceeding **\$150,000** [\$25,000,000].

18 * **Sec. 47.** AS 43.75.018 is amended by adding a new subsection to read:

19 (f) The credit under this section may not reduce a person's tax liability under
20 this chapter to below zero for any tax year. An unused credit or portion of a credit not
21 used under this section for a tax year may not be sold, traded, transferred, or applied in
22 a subsequent tax year.

23 * **Sec. 48.** AS 43.77.045(a) is amended to read:

24 (a) In addition to the credit allowed under AS 43.77.040, a person engaged in
25 a floating fisheries business is allowed a credit against the tax due under this chapter
26 for cash contributions accepted

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

31 (2) for secondary school level vocational education courses, [AND]

1 programs, and facilities by a school district in the state; [AND]

2 (3) for vocational education courses, programs, and facilities by a
3 state-operated vocational technical education and training school; and

4 (4) for a facility by a nonprofit, public or private, Alaska two-year
5 or four-year college accredited by a regional accreditation association.

6 * **Sec. 49.** AS 43.77.045(a), as amended by sec. 48 of this Act, is amended to read:

7 (a) In addition to the credit allowed under AS 43.77.040, a person engaged in
8 a floating fisheries business is allowed a credit against the tax due under this chapter
9 for cash contributions accepted

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

14 (2) for secondary school level vocational education courses and [,]
15 programs [, AND FACILITIES] by a school district in the state; and

16 (3) [FOR VOCATIONAL EDUCATION COURSES, PROGRAMS,
17 AND FACILITIES] by a state-operated vocational technical education and training
18 school [; AND

19 (4) FOR A FACILITY BY A NONPROFIT, PUBLIC OR PRIVATE,
20 ALASKA TWO-YEAR OR FOUR-YEAR COLLEGE ACCREDITED BY A
21 REGIONAL ACCREDITATION ASSOCIATION].

22 * **Sec. 50.** AS 43.77.045(b) is amended to read:

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 \$200,000 [\$100,000] of contributions; and

26 (3) 50 percent of the amount of contributions that exceed \$300,000.

27 * **Sec. 51.** AS 43.77.045(b), as amended by sec. 50 of this Act, is amended to read:

28 (b) The amount of the credit is

29 (1) 50 percent of contributions of not more than \$100,000; and

30 (2) 100 percent of the next \$100,000 [\$200,000] of contributions [;

31 AND

1 (3) 50 PERCENT OF THE AMOUNT OF CONTRIBUTIONS THAT
2 EXCEED \$300,000].

3 * **Sec. 52.** AS 43.77.045(d) is amended to read:

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

5 (1) be the basis for a credit claimed [AS A CREDIT] under another
6 provision of this title; and

7 (2) when combined with contributions that are the basis for credits
8 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
9 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.75.018, result in the total
10 amount of the credits exceeding \$25,000,000 [EXCEED \$150,000].

11 * **Sec. 53.** AS 43.77.045(d), as amended by sec. 52 of this Act, is amended to read:

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

13 (1) be the basis for a credit claimed under another provision of this
14 title; and

15 (2) when combined with contributions that are the basis for credits
16 taken during the taxpayer's tax year under AS 21.89.070, 21.89.075, AS 43.20.014,
17 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.75.018, result in the total
18 amount of the credits exceeding \$150,000 [\$25,000,000].

19 * **Sec. 54.** AS 43.77.045 is amended by adding a new subsection to read:

20 (f) The credit under this section may not reduce a person's tax liability under
21 this chapter to below zero for any tax year. An unused credit or portion of a credit not
22 used under this section for a tax year may not be sold, traded, transferred, or applied in
23 a subsequent tax year.

24 * **Sec. 55.** AS 21.06.110(9); AS 21.89.070(f), 21.89.075(f); AS 43.05.010(15);
25 AS 43.20.014(f); AS 43.55.019(f); AS 43.56.018(f); AS 43.65.018(f); AS 43.75.018(f); and
26 AS 43.77.045(f) are repealed.

27 * **Sec. 56.** Sections 1, 2, 4, 6, 8, 9, 11 - 13, 15, 17, 19, 20, 22, 24, 26, 27, 29, 31, 33, 34, 36,
28 38, 40, 41, 43, 45, 47, 48, 50, 52, and 54 of this Act take effect January 1, 2011.

29 * **Sec. 57.** Except as provided in sec. 56 of this Act, this Act takes effect January 1, 2014.