

**CS FOR HOUSE BILL NO. 364(CRA)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-SEVENTH LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 3/30/12

Referred: Finance

Sponsor(s): HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to a credit against the net income tax for a contribution made by a**  
2 **taxpayer to a nonprofit organization that provides an emergency shelter for the**  
3 **homeless or a facility for alcohol or drug detoxification."**

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

5 \* **Section 1.** AS 43.20 is amended by adding a new section to article 1 to read:

6 **Sec. 43.20.048. Homeless shelter and drug and alcohol treatment facility**  
7 **contribution credit.** (a) A taxpayer is allowed a credit against the tax due under this  
8 chapter for cash contributions accepted by a nonprofit organization in existence on  
9 January 1, 2012, that qualifies for exemption from taxation under 26 U.S.C. 501(c)(3)  
10 (Internal Revenue Code) and that operates principally to provide

- 11 (1) an emergency shelter for the homeless;  
12 (2) a facility for alcohol or drug detoxification; or  
13 (3) a combination of the programs described in (1) and (2) of this  
14 subsection.

1 (b) The amount of the credit is the lesser of 50 percent of the amount of the  
2 cash contribution or \$200,000.

3 (c) The department shall develop and implement procedures by which a  
4 taxpayer may submit information regarding the taxpayer's proposed contribution to the  
5 department and request a preliminary determination of whether the contribution  
6 qualifies for the tax credit under this section. A preliminary determination by the  
7 department that the contribution qualifies for the credit is binding, unless the  
8 department determines that the taxpayer has made a material misrepresentation in the  
9 taxpayer's submission.

10 (d) The commissioner shall, by January 1 of each year, provide to the  
11 legislature the total amount of contributions to emergency shelters for the homeless  
12 reported, the total amount of contributions to facilities for alcohol or drug  
13 detoxification reported, the total amount of contributions to facilities that provide both  
14 emergency shelter for the homeless and alcohol or drug detoxification reported, the  
15 total amount of contributions reported, and the total amount of credit claimed under  
16 this section during the previous calendar year.

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

18 (1) be the basis for a credit claimed under another provision of this  
19 title; or

20 (2) also be allowed as a deduction under 26 U.S.C. 170 against the tax  
21 imposed by this chapter.

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. 2.** AS 43.20.048 is repealed January 1, 2018.