

**SENATE BILL NO. 120**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE EDUCATION COMMITTEE

Introduced: 3/31/23

Referred: Education, Finance

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act extending the education tax credits; providing for an effective date by  
2 amending the effective date of secs. 1, 2, and 21, ch. 61, SLA 2014; and providing for an  
3 effective date."

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

5 \* **Section 1.** AS 21.96.070(b) is amended to read:

6 (b) The amount of the credit is

7 **(1) 50 percent of contributions of not more than \$100,000;**

8 **(2) 100 percent of the next \$200,000 of contributions; and**

9 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

10 \* **Sec. 2.** AS 21.96.070(d) 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

1 taken during the taxpayer's tax year under AS 43.20.014, AS 43.55.019,  
 2 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total  
 3 amount of credits exceeding **\$5,000,000** [\$1,000,000]; if the taxpayer is a member of  
 4 an affiliated group, then the total amount of credits may not exceed **\$5,000,000**  
 5 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the  
 6 meaning given in AS 43.20.145.

7 \* **Sec. 3.** AS 43.20.014(b) is amended to read:

8 (b) The amount of the credit is

9 **(1) 50 percent of contributions of not more than \$100,000;**

10 **(2) 100 percent of the next \$200,000 of contributions; and**

11 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

12 \* **Sec. 4.** AS 43.20.014(d) 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 21.96.070, 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 **\$5,000,000** [\$1,000,000]; if the taxpayer is a member of  
 22 an affiliated group, then the total amount of credits may not exceed **\$5,000,000**  
 23 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the  
 24 meaning given in AS 43.20.145.

25 \* **Sec. 5.** AS 43.55.019(b) is amended to read:

26 (b) The amount of the credit is

27 **(1) 50 percent of contributions of not more than \$100,000;**

28 **(2) 100 percent of the next \$200,000 of contributions; and**

29 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

30 \* **Sec. 6.** AS 43.55.019(d) is amended to read:

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

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

3 (2) when combined with contributions that are the basis for credits  
4 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,  
5 AS 43.56.018, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total  
6 amount of credits exceeding **\$5,000,000** [\$1,000,000]; if the taxpayer is a member of  
7 an affiliated group, then the total amount of credits may not exceed **\$5,000,000**  
8 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the  
9 meaning given in AS 43.20.145.

10 \* **Sec. 7.** AS 43.56.018(b) is amended to read:

11 (b) The amount of the credit is

12 **(1) 50 percent of contributions of not more than \$100,000;**

13 **(2) 100 percent of the next \$200,000 of contributions; and**

14 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

15 \* **Sec. 8.** AS 43.56.018(d) is amended to read:

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

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

19 (2) when combined with contributions that are the basis for credits  
20 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,  
21 AS 43.55.019, AS 43.65.018, AS 43.75.018, or AS 43.77.045, result in the total  
22 amount of credits exceeding **\$5,000,000** [\$1,000,000]; if the taxpayer is a member of  
23 an affiliated group, then the total amount of credits may not exceed **\$5,000,000**  
24 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the  
25 meaning given in AS 43.20.145.

26 \* **Sec. 9.** AS 43.65.018(b) is amended to read:

27 (b) The amount of the credit is

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

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

30 **(3) 50 percent of the amount of contributions that exceed \$300,000.**

31 \* **Sec. 10.** AS 43.75.018(d) is amended to read:

1 (d) A contribution claimed as a credit under this section may not  
 2 (1) be the basis for a credit claimed under another provision of this  
 3 title; and  
 4 (2) when combined with contributions that are the basis for credits  
 5 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,  
 6 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.77.045, result in the total  
 7 amount of the credits exceeding \$5,000,000 [\$1,000,000]; if the taxpayer is a member  
 8 of an affiliated group, then the total amount of credits may not exceed \$5,000,000  
 9 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the  
 10 meaning given in AS 43.20.145.

11 \* **Sec. 11.** AS 43.75.018(b) is amended to read:

12 (b) The amount of the credit is

- 13 (1) 50 percent of contributions **of not more than \$100,000;**  
 14 (2) 100 percent of the next \$200,000 of contributions; and  
 15 (3) 50 percent of the amount of contributions that exceed \$300,000.

16 \* **Sec. 12.** AS 43.75.018(d) is amended to read:

17 (d) 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; and  
 20 (2) when combined with contributions that are the basis for credits  
 21 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,  
 22 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.77.045, result in the total  
 23 amount of the credits exceeding \$5,000,000 [\$1,000,000]; if the taxpayer is a member  
 24 of an affiliated group, then the total amount of credits may not exceed \$5,000,000  
 25 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the  
 26 meaning given in AS 43.20.145.

27 \* **Sec. 13.** AS 43.77.045(b) is amended to read:

28 (b) The amount of the credit is

- 29 (1) 50 percent of contributions **of not more than \$100,000;**  
 30 (2) 100 percent of the next \$200,000 of contributions; and  
 31 (3) 50 percent of the amount of contributions that exceed \$300,000.

1 \* **Sec. 14.** AS 43.77.045(d) is amended to read:

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

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

5 (2) when combined with contributions that are the basis for credits  
6 taken during the taxpayer's tax year under AS 21.96.070, AS 43.20.014,  
7 AS 43.55.019, AS 43.56.018, AS 43.65.018, or AS 43.75.018, result in the total  
8 amount of the credits exceeding **\$5,000,000** [\$1,000,000]; if the taxpayer is a member  
9 of an affiliated group, then the total amount of credits may not exceed **\$5,000,000**  
10 [\$1,000,000] for the affiliated group; in this paragraph, "affiliated group" has the  
11 meaning given in AS 43.20.145.

12 \* **Sec. 15.** Section 37, ch. 61, SLA 2014, as amended by sec. 40, ch. 101, SLA 2018, is  
13 amended to read:

14 Sec. 37. Sections 1, 2, and 21, **ch. 61, SLA 2014** [OF THIS ACT] take effect  
15 January 1, **2031** [2025].

16 \* **Sec. 16.** This Act takes effect January 1, 2024.