

Submitted by: Assemblymembers MURDY, and
Begich

Prepared by: Assembly Office

For reading: March 24, 1998

CLERK'S OFFICE

APPROVED

Date: 3-31-98

ANCHORAGE, ALASKA

AR NO. 98-98

**A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY SUPPORTING AND
ENDORING HOUSE BILL NO. 472, "AN ACT RELATING TO APPORTIONMENT OF
BUSINESS INCOME"**

WHEREAS, on March 20, 1998, the House Labor and Commerce Committee introduced HB 472, An Act Relating to Apportionment of Business Income; and

WHEREAS, this bill addresses a recent State Supreme Court decision that will allow the State to tax income from ships and aircraft owned by foreign corporations doing business in Alaska; and

WHEREAS, there are presently twelve airlines and twenty cruise ships that will be affected by this decision; and

WHEREAS, if passed, HB 472 will overturn this recent Supreme Court decision which will have a severe adverse impact on the Anchorage economy, hitting the Anchorage tourism industry particularly hard.

NOW, THEREFORE, the Anchorage Assembly resolves:

Section 1: That the Anchorage Assembly supports and endorses HB 472 relating to apportionment of business income.

Section 2: That the Municipal Clerk forward copies of this resolution to the Governor and the Alaska State Legislature immediately upon passage and approval.

PASSED AND APPROVED by the Anchorage Municipal Assembly this 31st day of March, 1998.

Chair

ATTEST:

Municipal Clerk

HOUSE BILL NO. 472

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE LABOR AND COMMERCE COMMITTEE BY REQUEST

Introduced: 3/20/98

Referred: Labor and Commerce, Finance

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to apportionment of business income."

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

3 * Section 1. AS 43.20.021(a) is amended to read:

4 (a) Sections 26 U.S.C. 1 - 1399 and 6001 - 7872 (Internal Revenue Code), as
5 amended, are adopted by reference as a part of this chapter. These portions of the
6 Internal Revenue Code have full force and effect under this chapter unless excepted
7 to or modified by other provisions of this chapter. However, nothing in this chapter
8 or in AS 43.19 (Multistate Tax Compact) may be construed as an exception to or
9 modification of 26 U.S.C. 883.

10 * Sec. 2. This Act is retroactive to January 1, 1993.