



# Alaska Education Tax Credit

## HOW IT WORKS

If a business owes the State of Alaska a tax liability and it makes a contribution to a qualified educational institution, it may be eligible for a credit against its state taxes. The credit is a partnership that provides mutual benefit for industry, the university, and the State of Alaska.

These taxes include:

- Corporate Income Tax
- Fisheries Business Tax
- Fishery Resource Landing Tax
- Insurance Premium/Title Tax
- Mining License Tax
- Oil and Gas Production Tax
- Oil and Gas Property Tax

### Effective January 1, 2019 through December 31, 2020

- 50% of eligible contributions up to \$100,000
- 75% of eligible contributions between \$100,001 - \$300,000
- 50% of eligible contributions between \$300,001 - \$1M
- Allows in-kind donations of eligible equipment. Equipment contribution value will be determined by an appraisal consistent with regulations to be adopted by the Alaska Department of Revenue.
- Non-profit, public or private eligible recipients include UA and other Alaska two-year or four-year colleges accredited by a national or regional accreditation association.
- Total credit across all tax types may not exceed \$1M per taxpayer, per year.

### Effective January 1, 2021 through December 31, 2024

- 50% of all eligible contributions
- Total credit across all tax types may not exceed \$1M per taxpayer, per year.

### Effective January 1, 2025

- The Alaska Education Tax Credit expires unless additional legislation is passed.

*This publication does not, and is not intended to, provide legal, tax or accounting advice, and readers should consult their tax advisors concerning the application of tax laws to their particular situations.*