

NOTICE OF PROPOSED CHANGES IN THE
REGULATIONS OF THE DEPARTMENT OF REVENUE

The Department of Revenue proposes to adopt regulation changes in Title 15 of the Alaska Administrative Code, dealing with the film production tax credit, including the following new provisions:

- (1) 15 AAC 20.160(a) addresses the issuance of a transferable tax credit certificate and its utilization to offset taxes imposed under 43.20 (Alaska Net Income Tax).
- (2) 15 AAC 20.160(b) addresses the expiration of the credit three years from the date of original issue by the Department of Revenue and defines taxes.
- (3) 15 AAC 20.160(c) addresses the transferability of the credit that may be sold, assigned, exchanged, conveyed or otherwise transferred in whole or in part. Before a transfer occurs, the Department of Revenue must receive a request for transfer using the form approved for this purpose.
- (4) 15 AAC 20.160(d) addresses denial of the transfer request.
- (5) 15 AAC 20.160(e) addresses that upon approval of the request for transfer, the Department of Revenue will issue a certificate to the new holder and also to the previous holder to the extent that the previous holder retains a portion of the film production credit and that the transfer of the credit certificate in whole or in part does not extend the three-year period in which the credit can be used under AS 43.98.030(a).
- (6) 15 AAC 20.160(f) addresses that the Department of Revenue may reduce the amount of the tax credit issued to a producer. However, the Department of Revenue may not reduce the amount of credit transferred in an arm's length transaction.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed changes, by submitting written comments to the Department of Revenue at 550 West 7th Avenue, Suite 500, Anchorage, Alaska, 99501 or by emailing Janis Hales at janis.hales@alaska.gov. The comments must be received no later than 4:30 p.m. on November 30, 2009.

For a copy of the proposed regulation changes, contact Janis Hales at 907-269-6627, or go to www.tax.state.ak.us.


After the public comment period ends, the Department of Revenue will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of the final regulations may be different from that of the proposed regulations. **YOU SHOULD COMMENT DURING THE TIME ALLOWED IF YOUR INTERESTS COULD BE AFFECTED.**

Statutory Authority: AS 43.98.030; AS 44.33.231; AS 44.33.232; AS 44.33.235; AS 44.33.237;
AS 44.33.238

Statutes Being Implemented, Interpreted, or Made Specific: 43.98.030

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: 10/29/09


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