

HB 284

TAX COMPACT; SALES TAX; OIL & GAS TAX

House Finance Committee

Department of Revenue

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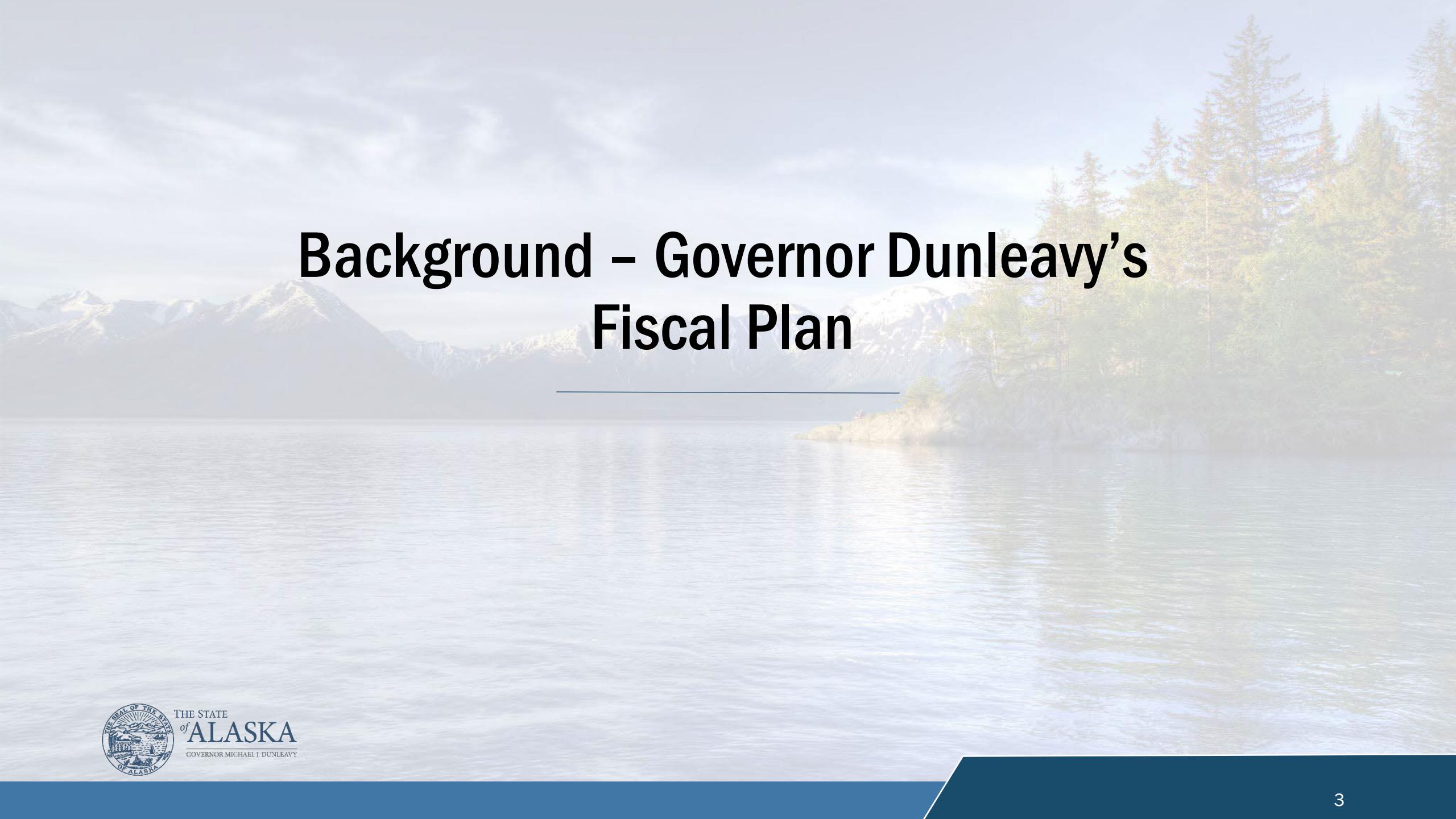
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Presentation Overview

- Background - Fiscal Plan / Policy Context
- Proposed Legislation
 - Sales and Use Tax
 - Corporate Income Tax
 - Oil and Gas Production Tax
- Fiscal Note
- Sectional Analysis





Background – Governor Dunleavy's Fiscal Plan



Governor Dunleavy's Fiscal Plan

Governor's Policy Goals

- Provide a plan for fiscal stability, especially during the next five to seven years where budgetary challenges are expected
- Limit spending to ensure a predictable PFD, ensure fiscal restraint, and prevent greater taxes from being implemented
- Improve Alaska's long-term appeal for families and businesses by enshrining a 50/50 PFD and eliminating corporate income tax to make the tax climate more competitive for business investment
- Improve the efficacy of state agencies by requiring reviews and reauthorization of agency operations on a regular basis



Source: Public Release at <https://gov.alaska.gov/governor-dunleavy-introduces-fiscal-plan-legislation/>

Governor Dunleavy's Fiscal Plan

Fiscal Plan Overview

- **Statutory Spending Cap:** Spending Growth is limited to 1% per year
- **Permanent Fund:** A permanent 50/50 PFD is amended into the constitution
- **Temporary Revenue Measures:** A variable seasonal sales tax and an oil production tax increase will be implemented, sunsetting 2034 and 2032 respectively, whereupon current revenue sources are expected to recover
- **Long-Term Revenue Changes:** The corporate income tax is eliminated in 2031. Additional petroleum fee is implemented with funds designated to support haul road and pipeline infrastructure
- **Agency Sunset and Reauthorization:** All executive branch agencies will be reviewed for their efficacy on a six-year cycle, with reauthorization or reorganization legislation required to prevent termination





Proposed Legislation – Omnibus Overview

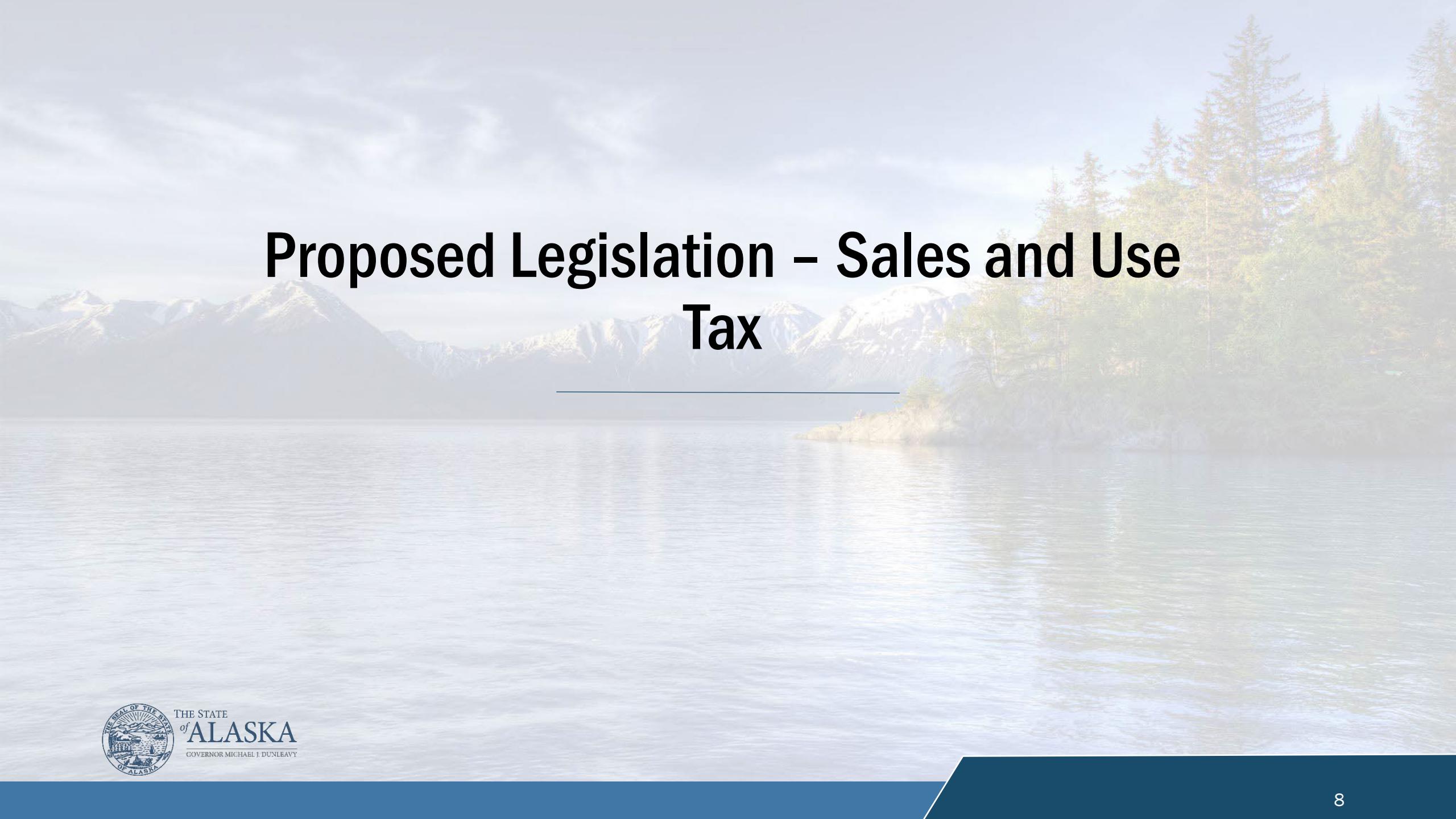


“Omnibus” Tax Legislation Overview

- Sales and Use Tax
 - Seasonally adjusted tax rate
 - Effective CY 2027 – 2033 (seven full years)
- Corporate Income Tax
 - Market-based sourcing effective CY 2027
 - Zero tax rate effective CY 2031+
- Oil and Gas Production Tax
 - Minimum Tax Floor increased CY 2027-2031*
 - Infrastructure Surcharge effective FY 2027+



* Potential for earlier reversion based on production



Proposed Legislation – Sales and Use Tax



Sales and Use Tax Proposal: What Does it Do?

- Creates a seasonal sales and use tax of:
 - 4% from April 1 through September 30
 - 2% from October 1 through March 31
- Creates certain exemptions (detailed later)
- Requires sellers to collect and remit tax to state
- Requires state to administer municipal sales and use taxes levied under AS 29.45.650 and 29.45.700 and remit the proceeds to the municipality
- Creates “timely filing allowance” for a person filing a return under AS 43.44.310 (1% of tax or \$75 per month, whichever is less)
- Permits the state to enter the “Streamlined Sales and Use Tax Agreement”



Sales and Use Tax: Who pays?

- Businesses will collect the tax
- Consumers will pay the sales tax, including visitors and non-resident workers
 - 70% by residents and 30% by non-residents
- State sales taxes are deductible from federal income tax, for those who itemize



Sales and Use Tax: What is a Use Tax?

- A use tax is imposed on consumers of tangible personal property or services that are used in the state and to which the sales tax did not apply
- The tax applies to anything that would have had a sales tax applied if it had been sold in the state, including:
 - Purchases made outside and then brought into the state
 - Purchases from out-of-state vendors that are not required to collect tax on their sales (threshold to collect not met)
 - Products manufactured in the state and used by the entity who manufactured them
 - The sales tax and the use tax are “mutually exclusive”
- Creates “tax fairness” – the same tax applies to purchases regardless of source
 - Protects Alaska businesses



Sales and Use Tax: Internet Sales

- If seller has a physical presence in Alaska (e.g., property or staff), seller would be required to collect and remit tax
- Remote sellers receiving gross revenues in excess of \$100,000 from sales of goods and services would be required to collect and remit tax
- If remote seller doesn't collect tax, the purchaser of personal property or services subject to the use tax shall pay the tax to the state



Sales and Use Tax: Administration

- Returns filed by any seller required to collect the tax
- Returns filed by purchasers where no sales or use tax was collected at the time of sale
- Municipalities would need to conform to state sales tax base/exemptions
- State would collect sales tax for both state and municipality and remit municipal portion
 - Complies with US Supreme Court Case *South Dakota v. Wayfair, Inc. (2018)*
 - Avoids unnecessary burden on businesses having to navigate multiple taxing jurisdictions
 - More efficient tax administration overall through centralized administration and streamlined bureaucracy



Sales and Use Tax: Comparison to Other States

- 45 states currently levy a state sales and use tax
- Among the states with a sales and use tax, at 4%, Alaska would tie with 5 other states as the 2nd lowest rate, at 2% it would be the lowest
 - Colorado currently has the lowest rate at 2.9%
 - California currently has the highest at 7.25%
- Average local sales tax rate in Alaska is 1.82%
 - Combined 5.82% average rate would be 6th lowest combined rate
- Alaska would have one of the broadest tax bases, not counting business intermediary transactions: “broad base low rate”



Source: Tax Foundation

Sales and Use Tax: Exemptions

- Intent is to have a very broad tax base that applies to most consumer goods and services transactions, but not intermediate business transactions
- Legislation starts with a tax on all goods and services and itemizes exemptions one-by-one
 - Administratively simpler to start from an assumption of taxability
- Following is a list of exemptions in the proposed legislation:



Sales and Use Tax: Exemptions

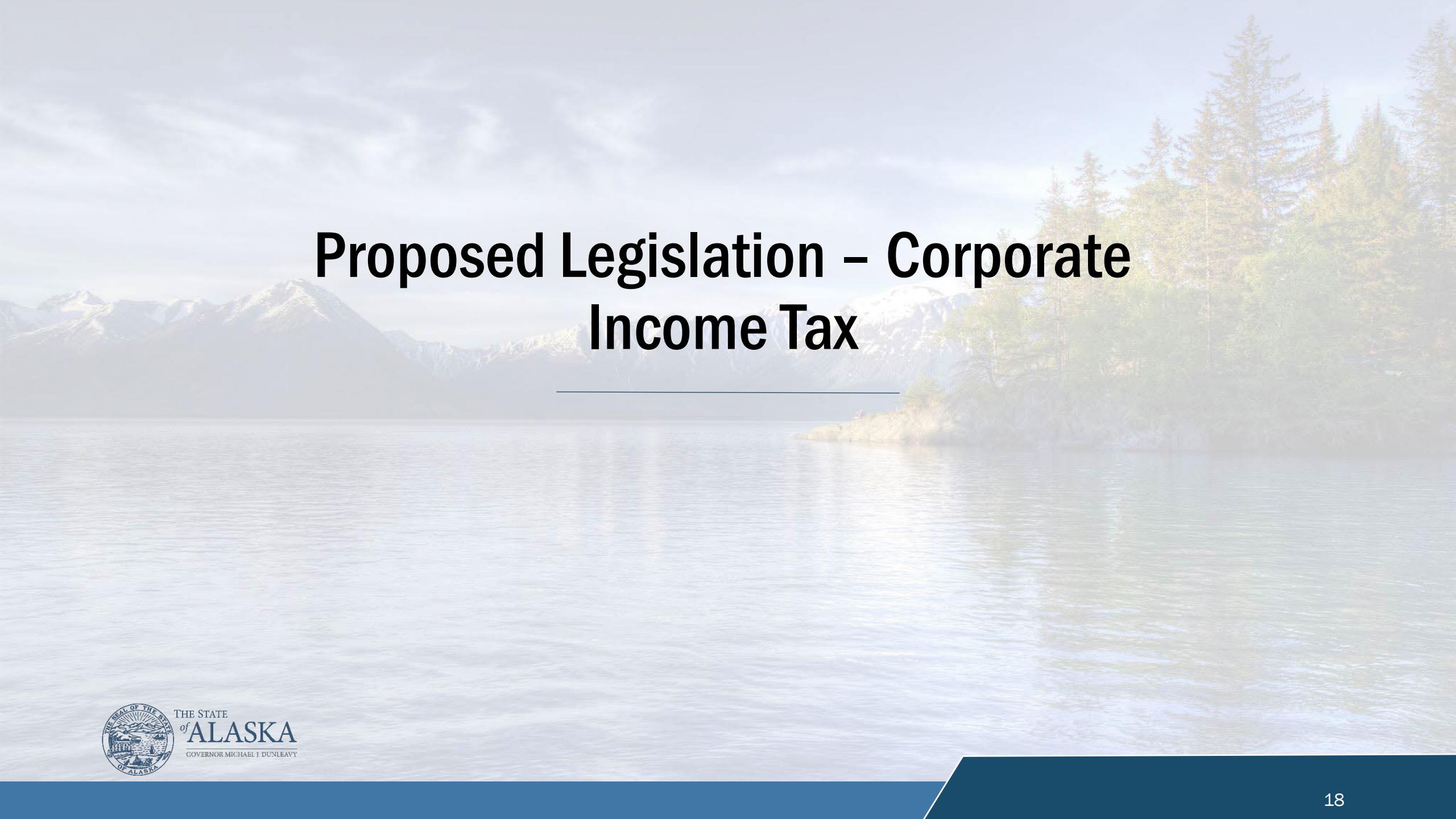
- Sale to or by the U.S. government
- Purchases made with WIC, food stamps, or similar assistance programs
- Transportation of property in interstate or foreign commerce
- Internet access
- Sale to or by the State of Alaska or its agencies
- State licenses or permits
- Employee wages and compensation
- Investments and intangible income
- Sales for resale (with a valid exemption certificate)
- Transactions between business partners or joint owners



Sales and Use Tax: Exemptions

- Intercompany services
- Sales or construction of real property
- Residential leases of 30 consecutive days or more
- Jet fuel
- Healthcare services and related items
- Purchases used primarily in a trade or business when costs are deductible or depreciable
- Insurance premiums
- Fees related to financial accounts or instruments





Proposed Legislation - Corporate Income Tax



Corporate Income Tax

- Market-based sourcing effective CY 2027
- Zero tax rate effective CY 2031+



Corporate Income Tax: Historical Review

- Alaska Net Income Tax Act – 1949
- Uniform Division of Income for Tax Purposes Act - 1959
- Multistate Tax Compact (MTC) – 1970
- Revised to include adopting Internal Revenue Code (IRC) by reference unless excluded – 1975
- Separate Accounting for Oil and Gas – 1978-1981
- Repealed Individual Income Tax and “Created” S-Corporation “Exemption” – 1980
- Adopted Current Oil & Gas Apportionment Factor on worldwide income – 1981
- Current tax brackets (reduced tax for small businesses) – 2014



Corporate Income Tax: Current Fiscal Regime

- Applies to C-Corporations only
 - Many, but not all, companies in Alaska
- “Alaska Taxable Income” determined using an “apportionment factor”
 - Non-Petroleum – based on U.S. “water’s edge” activity, apportioned to Alaska based on Alaska’s share of property, payroll, and sales
 - Petroleum – based on worldwide activity, apportioned to Alaska based on Alaska’s share of property, production, and sales/tariffs
- Bracketed tax rate, with highest rate of 9.4% on taxable income over \$222,000



Corporate Income Tax Brackets

Corporate Income Tax Brackets	Current Statute
Taxable Income	Tax Rate
Less than \$25,000	0.00%
\$25,000 but less than \$49,000	2% of taxable income over \$25,000
\$49,000 but less than \$74,000	\$480 + 3% of taxable income over \$49,000
\$74,000 but less than \$99,000	\$1,230 + 4% of taxable income over \$74,000
\$99,000 but less than \$124,000	\$2,230 + 5% of taxable income over \$99,000
\$124,000 but less than \$148,000	\$3,480 + 6% of taxable income over \$124,000
\$148,000 but less than \$173,000	\$4,920 + 7% of taxable income over \$148,000
\$173,000 but less than \$198,000	\$6,670 + 8% of taxable income over \$173,000
\$198,000 but less than \$222,000	\$8,670 + 9% of taxable income over \$198,000
Greater than \$222,000	\$10,830 + 9.4% of taxable income over \$222,000



Note: Tax brackets shown are in whole dollars.

Corporate Income Tax: Market-Based Sourcing

- “Cost of performance” sourcing (current method)
 - Sales apportioned to Alaska when the “income producing activity is performed” in the state
 - For internet or mail order, this method assigns the sale to the origin state
- “Market-based” sourcing (proposed method)
 - Sales apportioned to Alaska when the end user or “market” is in the state
 - For internet or mail order, this method assigns the sale to the destination state



Corporate Income Tax: Market-Based Sourcing

- Most states (over two-thirds) have switched to market-based sourcing for sales
- Modern approach that acknowledges the realities of today's digital world
- Modernizes Alaska's tax code regardless of what future legislatures may decide to do with tax rates
- This proposal does not include any separate calculation or carve-out for highly digitized companies



Corporate Income Tax: Market-Based Sourcing

- Revenue impact estimated at ~\$15 million / year
- Revenue increase concentrated in multi-state technology, professional services, and finance companies; also, transportation and e-commerce
- Increased taxes: Companies in Lower 48 with little or no Alaska presence delivering goods/ services into Alaska
- Decreased taxes: Companies with physical presence in Alaska but few Alaska customers, or Alaska based businesses that serve outside customers
- No impacts: Alaska based companies only doing business in Alaska



Corporate Income Tax: Zero tax rate effective CY 2031+

- Existing tax brackets in place through 2030
- Tax remains “on the books” with filing requirements, but tax rate drops to 0% for all companies beginning 2031
- Revenue impact would begin with estimated payments in 2031 (2nd half of FY 2031)
- Tax returns for 2030 due by late 2031 (FY 2032), and 3-year review/ audit period (through FY 2035).





Proposed Legislation – Oil and Gas Production Tax



Oil & Gas Production Tax: Historical Review

- Economic Limit Factor (ELF) – pre-2006
- Petroleum Production Tax (PPT) – 2006
- Alaska's Clear and Equitable Share (ACES) – 2007
 - HB280 (Cook Inlet Recovery Act) – 2010
- More Alaska Production Act (SB21) – 2013
 - HB247 – 2016
 - HB111 – 2017



Oil & Gas Production Tax: Current Fiscal Regime

SB21 Goals

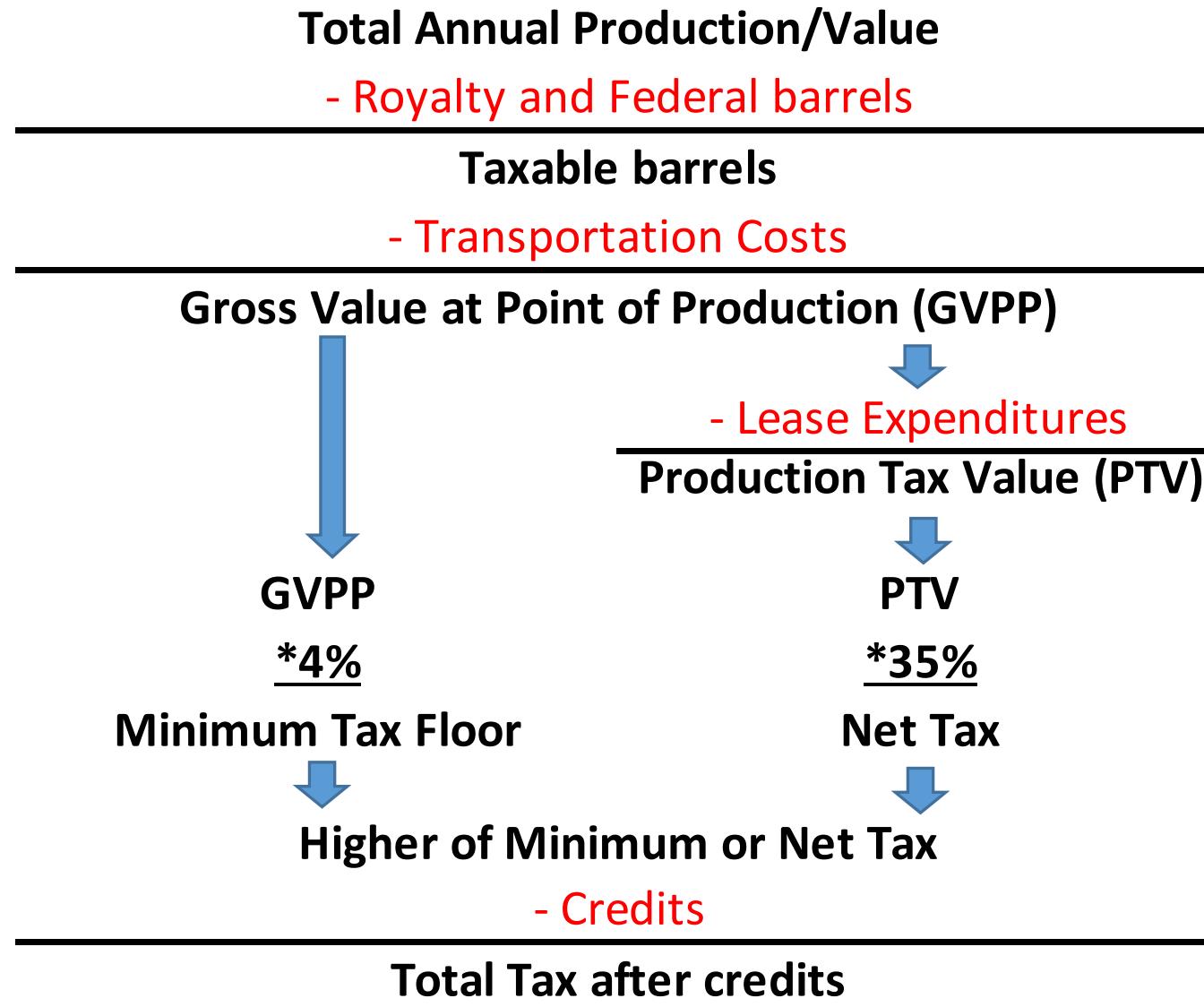
- Enhance global competitiveness and investment climate
- Incentivize North Slope Development
- Stabilize production

SB21 Summary

- Tax Base = 35% Production Tax Value (Gross Value less lease expenditures)
 - Minimum Tax Floor = 4% Gross Value
- Progressivity = Sliding scale credit \$0 - \$8 per taxable barrel
- Gross Value Reduction (GVR) for new oil (first 3 to 7 years of production)
 - Gross Value reduced by 20% or 30%
 - Flat \$5 per taxable barrel credit instead of sliding scale credit



Oil and Gas Production Tax – Simplified Order of Operations



Bill Provisions - Oil and Gas Production Tax

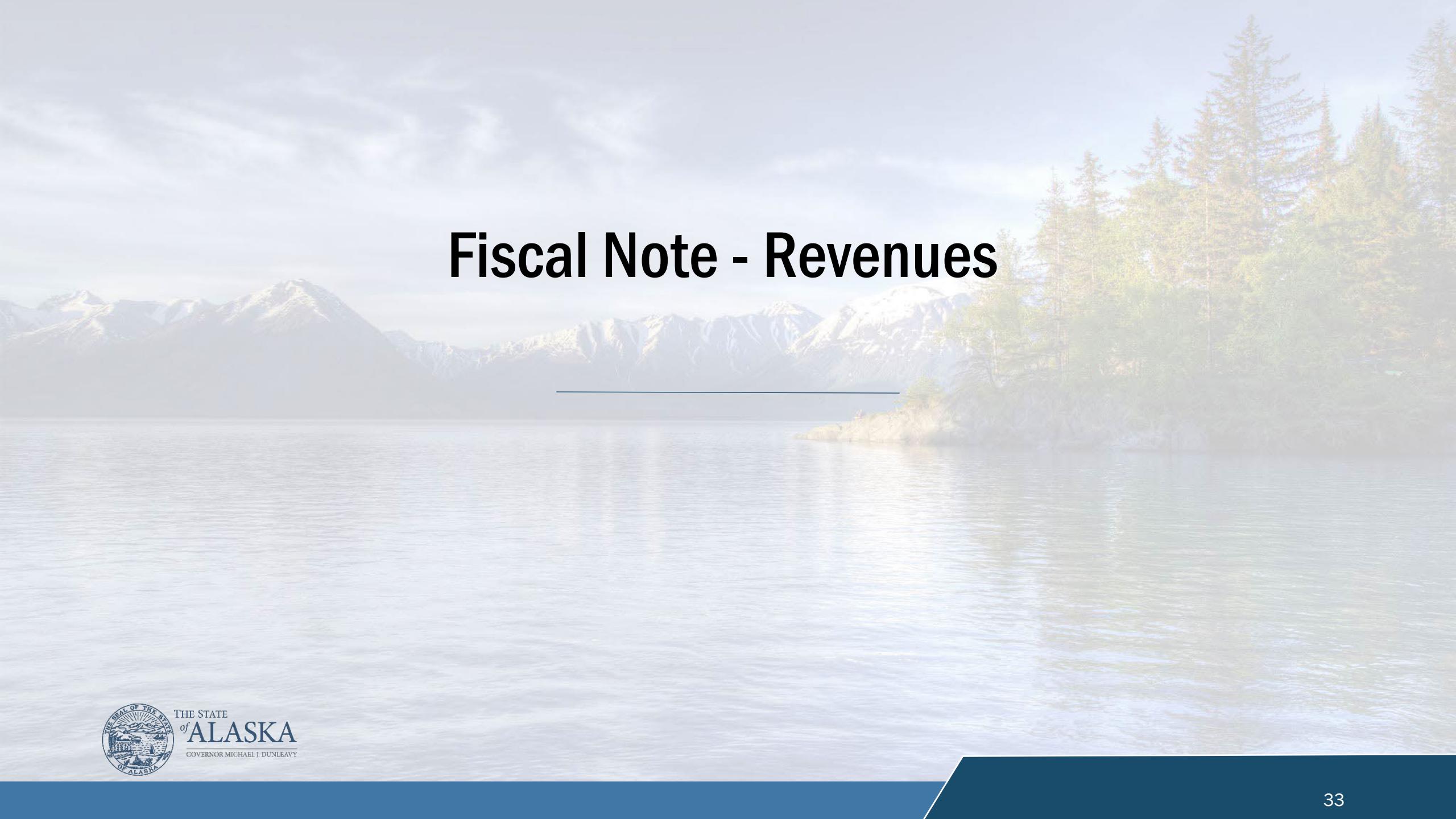
- Minimum Tax Floor increased from 4% to 6%, CY 2027 to CY 2031
 - Floor reverts to 4% the earlier of the CY after TAPS throughput exceeds CY average of 650,000 barrels per day, or CY 2032



Bill Provisions - Oil and Gas Production Tax

- New permanent fee of \$0.15 per taxable barrel produced in state, effective from FY 2027
 - Modeled off existing hazardous release surcharge
 - Revenue designated to Pipeline Infrastructure fund
 - Intended to provide a sustainable funding source in direct support of industry





Fiscal Note - Revenues



Fiscal Note – Revenues: Sales and Use Tax

- Sales and Use Tax - \$735 million in first full year
- Broad tax base, similar to that of South Dakota, without tax on business intermediate transactions
- 4% April - September, 2% October – March
- In effect 12 months after enactment, rate to 0% in 2034
- Based on a customized tax model provided by Chainbridge, a consultant
- Used data from other states to create an estimated tax base by category for Alaska including breakout of consumer, business, and government purchases
- Does not account for changes in behavior



Fiscal Note – Revenues: Corporate Income Tax

- Market-Based Sourcing: ~\$15 million / year increase to revenue
 - Primarily from large outside companies selling goods/services to Alaska consumers
- Zero tax rate effective 2031+: ~\$540 million decrease to revenue in first full year (FY 2032)
 - \$245 oil and gas, \$295 non-oil and gas
 - Calculated separately from market-based sourcing



Fiscal Note – Revenues: Oil and Gas Production Tax

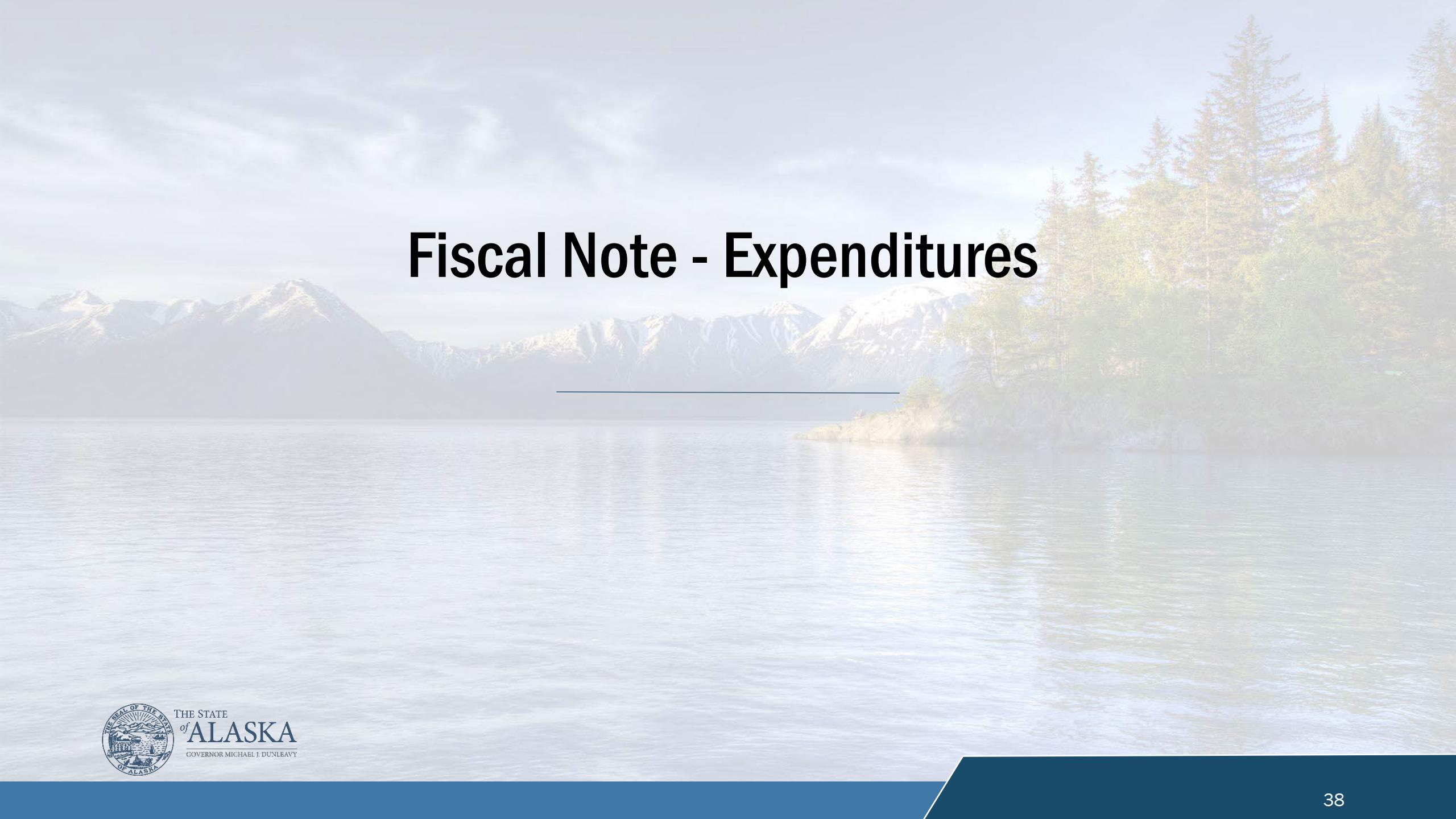
- Temporary increase to 6% minimum tax floor: \$147 million in first full year (FY 2028) up to \$171 million in FY 2031
 - Assumed to apply CY 2027 – 2031, could revert early
 - Unrestricted General Fund revenue
- Infrastructure Fee: 15 cents per taxable oil barrel statewide starting FY 2027
 - ~\$25 million/ year, will increase in later years with production
 - Designated General Fund revenue – proceeds intended for new Pipeline Corridor Maintenance Fund



Fiscal Note – Revenues: Summary

Estimated Impact of Omnibus Tax Bill, based on the Fall 2025 Forecast (\$millions)							Prepared 1/22/2026 by Dept of Revenue				
Provision	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	
Sales Tax	\$0	\$735	\$755	\$775	\$795	\$815	\$835	\$465	\$0	\$0	
Non-Oil and Gas Corporate Income Tax Elimination	\$0	\$0	\$0	\$0	-\$145	-\$295	-\$305	-\$310	-\$320	-\$335	
Oil and Gas Corporate Income Tax Elimination	\$0	\$0	\$0	\$0	-\$115	-\$245	-\$255	-\$265	-\$275	-\$285	
Implement Market-Based Sourcing on Corporate Income Tax	\$8	\$15	\$16	\$16	\$8	\$0	\$0	\$0	\$0	\$0	
Raise Production Tax Floor to 6% and back down to 4%	\$73	\$147	\$146	\$156	\$171	\$84	\$0	-\$1	\$0	\$0	
Total UGF Impact	\$80	\$898	\$916	\$947	\$714	\$359	\$275	-\$111	-\$595	-\$620	
Infrastructure Fee of \$0.15 per taxable barrel	\$25	\$25	\$24	\$25	\$27	\$30	\$32	\$32	\$31	\$30	
Total Fiscal Impact	\$105	\$922	\$940	\$972	\$741	\$389	\$306	-\$79	-\$564	-\$590	





Fiscal Note - Expenditures



Fiscal Note – Expenditures: Sales and Use Tax

What Would the Implementation Costs be?

- Implementing a statewide sales tax would be a significant undertaking
 - Need to draft regulations
 - Need to design, develop, and test technology to administer tax for electronic receipt and inspection of tens of thousands of monthly returns
- Estimated \$500,000 appropriation for contractor to work with DOR on an implementation plan and to help draft regulations
- Estimated \$10,000,000 capital costs for FY27 to build sales tax into our current tax revenue system
- After 2-year ramp-up, annual staffing costs of about \$10,200,000 for 67 additional Full-Time employees



Fiscal Note – Expenditures: Sales and Use Tax

- Provisional staffing plan to administer tax:

Juneau

Accountant 4	1
Accounting Tech 2	1
Accounting Tech 3	2
Analyst Programmer 3	2
Analyst Programmer 5	1
Commercial Analyst	2
Microfilm / Imaging Operator 2	1
Office Assistant 2	1
Tax Technician 1	1
Tax Technician 2	4
Tax Technician 3	5
Tax Technician 4 (Lead)	1
Total	22



Anchorage

Income Tax Specialists	2
Office Assistant 2	1
Revenue Appeals Officer 2	4
Revenue Audit Supervisor 2	2
Tax Auditor 1	6
Tax Auditor 2	8
Tax Auditor 3	8
Tax Auditor 4	3
Tax Technician 1	1
Tax Technician 2	4
Tax Technician 3	5
Tax Technician 4 (Lead)	1
Total	45

Fiscal Note – Expenditures: Oil & Gas and Corporate Income Tax

Oil and Gas Production Tax

- Updates to the TRMS and ROL systems required, however, costs to update the programs would be absorbed by the Tax Division using existing resources
- Would not require hiring additional staff

Corporate Income Tax

- Significant effort to draft new regulations for the changes to the apportionment rules, however, costs would be absorbed by the Tax Division using existing resources
- Due to the one-year delay between income generation and taxation, along with a three-year statute of limitations on amended returns, staff reassessments/reductions would likely begin after 2035



Fiscal Note – Expenditures: Operating Summary

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below.

(Thousands of Dollars)

	FY2027 Appropriation Requested	Included in Governor's FY2027 Request	Out-Year Cost Estimates				
			FY 2027	FY 2027	FY 2028	FY 2029	FY 2030
OPERATING EXPENDITURES	FY 2027	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Personal Services	4,398.9		8,797.7	8,797.7	8,797.7	8,797.7	8,797.7
Travel	75.0		62.5	20.0	20.0	20.0	20.0
Services	1,708.2		1,208.2	1,708.2	2,208.2	2,208.2	2,208.2
Commodities	810.5		140.5	6.5	6.5	97.0	97.0
Capital Outlay	32.0						32.0
Grants & Benefits							
Miscellaneous							
Total Operating	7,024.6	0.0	10,208.9	10,532.4	11,032.4	11,122.9	11,154.9



Sectional Analysis – HB 284 \A



HB 284 – Sectional Analysis

Section 1: Adds a requirement for vehicle owners to pay a new sales tax under AS 43.44.010, established in Section 21 of this bill, during registration.

Section 2: Amends AS 29.10.200(56) regarding limitations on home rule powers to apply to all sales and use taxes provisions of AS 29.45.650.

Section 3: Amends AS 29.10.200(57) regarding limitations on home rule powers to apply to all provisions regarding a borough's power to levy sales and use taxes in AS 29.45.700.



HB 284 – Sectional Analysis

Section 4: Amends AS 29.10.200 regarding limitations on home rule powers to add new provisions for specific taxes on property and services under AS 29.45.655, addressed in Section 8 of the bill.

Section 5: Amends AS 29.35.110(a) for expenditures of borough revenues received to add language for taxes levied and remove language for taxes collected by boroughs.

Section 6: Amends AS 29.35.170 to remove sales and use taxes from the types of taxes a borough shall assess and collect.



HB 284 – Sectional Analysis

Section 7: Replaces AS 29.45.650 with language stating that boroughs may levy local sales and use taxes collected and administered by the state.

Section 8: Adds AS 29.45.655 to permit municipalities to levy and collect certain specific sales or excise taxes on single categories of personal property or services, including bed taxes, car rental taxes, alcoholic beverages taxes, taxes on tobacco, electronic smoking, and other nicotine products, motor fuel taxes, fish taxes, and taxes on marijuana and marijuana products.

Section 9: Amends AS 29.45.660(a) to add an option of publishing public notices in an online public notice system for boroughs levying local sales and use taxes.



HB 284 – Sectional Analysis

Section 10: Replaces AS 29.45.700 with a new provision that cities may levy local sales and use taxes in the same manner and with the same limitations as boroughs under AS 29.45.650 and AS 29.45.660.

Section 11: Amends AS 29.45.810(a) to remove the reference to municipal sales tax collections in exemptions from municipal taxes levied by a municipality under state law for certain qualified projects under AS 43.82, the Stranded Gas Development Act.

Section 12: Removes the statement that the state does not have a statewide sales tax from the employment preference provisions of AS 36.10.005.



HB 284 – Sectional Analysis

Section 13: Amends AS 43.05.230(c) to allow the Department of Revenue to permit an authorized municipal officer to inspect or view sales tax returns for that municipality.

Section 14: Amends AS 43.05.499(11) to expand the definition of “taxpayer” to include a person required to collect a tax.



HB 284 – Sectional Analysis

Section 15: Amends AS 43.19.010 to update Alaska’s adoption of the Multistate Tax Compact, modernizing the corporate income tax sales factor sourcing rules to market-based sourcing from cost of performance. The amendment replaces the term “business income” with “apportionable income,” defined as all income apportionable under the U.S. Constitution and not allocated under Alaska law, and replaces “nonbusiness income” with “non-apportionable income.” It excludes from the definition of “sales” gross receipts from hedging transactions and from the disposition of cash or securities, updates sourcing rules to use market-based sourcing for services and highly digitized businesses, and authorizes the Department of Revenue to adopt regulations to prevent tax avoidance and ensure proper administration.



HB 284 – Sectional Analysis

Section 16: Repeals and reenacts AS 43.20.011(e) to reduce the corporate income tax rate to zero (effective January 1, 2031 under Section 36(3)).

Sections 17-20: Make conforming changes to update language from “business” income to “apportionable” income.

Section 21: Adds a new chapter (AS 43.44) to establish a statewide sales and use tax on retail sales of personal property and services to purchasers in Alaska. The tax applies to in-state purchases, remote sales, and certain out-of-state purchases that would be taxable if made in Alaska. The rate is four percent from April through September and two percent from October through March.



HB 284 – Sectional Analysis

Section 21 continued: The Department of Revenue will administer the tax, collect local sales and use taxes on behalf of municipalities, and remit proceeds to those municipalities. The chapter provides for seller and remote seller permits, exemption certificates, monthly returns, and penalties for misuse.

Exemptions include government purchases, food assistance transactions, wages, financial instruments, health care services, insurance premiums, certain real property transactions, and rental or lease of real property for 30 consecutive days or more.



HB 284 – Sectional Analysis

Section 21 continued: The bill authorizes participation in multistate tax compliance initiatives such as the Streamlined Sales and Use Tax Agreement, requires electronic registration and filing, and allows the Department to adopt regulations for administration and enforcement.

Section 22: Sets the sales tax rate to zero percent (effective January 1, 2034, in Section 36(4)).



HB 284 – Sectional Analysis

Section 23: Amends AS 43.55.011(f) to increase the minimum production tax on oil produced on or after January 1, 2022, from leases or properties that include land on the North Slope. The minimum tax rate becomes six percent of the gross value at the point of production when the average annual price per barrel of Alaska North Slope crude oil sold on the U.S. West Coast exceeds \$25, replacing the current four percent minimum rate.

Section 24: Repeals the amendment in AS 43.55.011(f) of Section 23 and returns the rate to four percent (effective on the earlier of January 1, 2032, or January 1 of the calendar year following the first calendar year in which the average daily throughput of the Trans-Alaska Pipeline System exceeds 650,000 barrels per day).



HB 284 – Sectional Analysis

Section 25: Amends AS 43.55.020(a)(7) to add a six percent rate for oil produced on or after January 1, 2027.

Section 26-30: Makes conforming changes to include the new surcharge levied by AS 43.55.320 under Section 31 to the surcharges listed under various existing statutes.

Section 31: Adds AS 43.55.320 establishing an infrastructure maintenance fee of \$0.15 per barrel on oil produced from each lease or property; and adds AS 43.55.325 creating the Pipeline Corridor Maintenance Fund (in the general fund; appropriations may be used for maintenance and operation costs along the pipeline corridor; not a dedicated fund).



HB 284 – Sectional Analysis

Section 32: conforming language added to AS 43.55.900(24) to expand the definition of “surcharge” to include the new fee levied by AS 43.55.320 under Section 31.

Section 33: repeals AS 29.05.210(b)(1) for providing transitional assistance to newly incorporated boroughs or unified municipalities for establishing an initial sales and use tax assessment and collection department.

Section 34: requires the newly enacted sales tax apply to purchases made on or after the effective date of Section 21 (12 months after enactment under Section 37, contingent on the enactment of legislation identified in Section 35).



HB 284 – Sectional Analysis

Section 35: Makes enactment of this bill conditional upon the passage of a version of (1) HB 275 or similar bill, (2) a version of HB 274 or similar bill, and (3) a version of HJR 30 or similar resolution.

Section 36: Establishes effective dates for specific provisions of the Act, contingent on the passage of the legislation identified in Section 35. The effective dates are as follows:

1. Sections 26–32 (infrastructure maintenance fee and related provisions) take effect July 1, 2026.
2. Sections 15, 17–20, 23, and 25 (Multistate Tax Compact revisions, apportionment changes, and oil and gas production tax adjustments) take effect January 1, 2027.



HB 284 – Sectional Analysis

3. Section 16 (reduction of the corporate income tax rate to zero) takes effect January 1, 2031.
4. Section 22 (setting the statewide sales and use tax rate to zero percent) takes effect January 1, 2034.
5. Section 24 (reverting the North Slope minimum tax rate from six percent to four percent) takes effect on the earlier of January 1, 2032, or January 1 of the calendar year following the first calendar year in which the average daily throughput of the Trans-Alaska Pipeline System exceeds 650,000 barrels per day.

Section 37: Provides the general effective date for all provisions of the Act not otherwise specified in Section 36. If the contingency in Section 35 is satisfied, these provisions take effect 12 months after the date of enactment of the Act.



THANK YOU

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