

Alaska Statute: Conservation Surcharge on Oil

Updated: 3/10/2014 2:34 PM

Article 02. CONSERVATION SURCHARGE ON OIL

Sec. 43.55.200. Surcharge levied. [Repealed, Sec. 43 ch 128 SLA 1994].

Repealed or Renumbered

Article Notes -

Cross References. For legislative findings and purpose in connection with the enactment of this article, see Sec. 1, ch. 112, SLA 1989 in the Temporary and Special Acts.

Editors Notes. Section 5, ch. 112, SLA 1989 provides that chapter 112 "does not relieve a person responsible for an oil terminal facility, offshore exploration or production facility, or a vessel that transports crude oil, or a person who has control of a hazardous substance, from the responsibility for containing and cleaning up a discharge of oil or the hazardous substance as required by law."

Sec. 43.55.201. Surcharge levied.

(a) Every producer of oil shall pay a surcharge of \$.01 per barrel of oil produced from each lease or property in the state, less any oil the ownership or right to which is exempt from taxation.

(b) The surcharge imposed by (a) of this section is in addition to the tax imposed by AS 43.55.011 and is due on the last day of the month on oil produced from each lease or property during the preceding month. The surcharge is in addition to the surcharge imposed by AS 43.55.300 - 43.55.310.

(c) A producer of oil shall make a report of production on March 31 of the year following the calendar year of production and in the same manner and under the same penalties as required under AS 43.55.011 - 43.55.180.

(d) Oil not considered under AS 43.55.020(e) to be produced from a lease or property is not considered to be produced from a lease or property for purposes of this section.

History -

(Sec. 13 ch 128 SLA 1994; am Sec. 26, 27 ch 2 TSSLA 2006)

Sec. 43.55.210. Disposition of proceeds of surcharge. [Repealed, Sec. 43 ch 128 SLA 1994].

Repealed or Renumbered

Sec. 43.55.211. Use of revenue derived from surcharge.

The legislature may appropriate the annual estimated balance of the account maintained under AS 37.05.142 for deposits into the general fund of the proceeds of the surcharge levied under AS 43.55.201 to the response account in the oil and hazardous substance release prevention and response fund established by AS 46.08.010.

History -

(Sec. 14 ch 128 SLA 1994)

Sec. 43.55.220. Use of revenue derived from surcharge. [Repealed, Sec. 43 ch 128 SLA 1994].

Repealed or Renumbered

Sec. 43.55.221. Suspension and reimposition of the surcharge.

(a) Not later than 30 days after the end of each calendar quarter, the commissioner of administration shall determine, as of the end of that quarter, the fiscal year's

(1) unreserved and unobligated balance in the response account of the oil and hazardous substance release prevention and response fund established in AS 46.08.010; for purposes of this paragraph, the "unreserved and unobligated balance in the response account" means the cash balance of the account less the sum of

(A) reserves for outstanding appropriations from the account;

(B) encumbrances of money in the account; and

(C) other liabilities of the account;

(2) balance of the account maintained under AS 37.05.142 that accounts for the proceeds of the surcharge that are deposited in the general fund;

(3) the balance of the response mitigation account established by AS 46.08.025(b) that originated from the sources described in AS 46.08.025(a)(3) and that is available for appropriation to the response account of the fund established in AS 46.08.010.

(b) Within 15 days after making the determinations required by (a) of this section, the commissioner of administration shall

(1) add the amounts determined under (a)(1) - (3) of this section; and

(2) report the sum calculated under (1) of this subsection to the commissioner of revenue.

(c) In making the determination required by (a) of this section, the commissioner of administration may not consider money described in (a) of this section that is subject to a dedication imposed by law that restricts the use of the money to a specific purpose for which the response account of the oil and hazardous substance release prevention and response fund established in AS 46.08.010 may not be lawfully expended.

(d) If the commissioner of administration reports that the sum reported under (b) of this section equals or exceeds \$50,000,000, the commissioner of revenue shall suspend imposition and collection of the surcharge levied and collected under AS 43.55.201. Suspension of the imposition and collection of the surcharge begins on the first day of the calendar quarter next following the commissioner's receipt of the commissioner of administration's report under (b) of this section. Before the first day of a suspension authorized by this subsection, the commissioner shall make a reasonable effort to notify all persons who are known to the department to be paying the surcharge under AS 43.55.201 that the surcharge will be suspended.

(e) Except as provided in AS 43.55.231, if the commissioner of administration reports that the sum reported under (b) of this section is less than \$50,000,000, the commissioner of revenue shall require imposition and collection of the surcharge authorized under AS 43.55.201. If the surcharge is not in effect, reimposition of the surcharge begins on the first day of the calendar quarter next following the commissioner's receipt of the commissioner of administration's report under (b) of this section. Before the first day of reimposition of the surcharge authorized by this subsection, the commissioner shall make a reasonable effort to notify all persons who are known to the department to be required to pay the surcharge under AS 43.55.201 that the surcharge will be reimposed.

History -

(Sec. 15 ch 128 SLA 1994)

Sec. 43.55.230. Suspension and reimposition of the surcharge. [Repealed, Sec. 43 ch 128 SLA 1994].

Repealed or Renumbered

Sec. 43.55.231. Surcharge not imposed.

(a) The surcharge authorized by AS 43.55.201 is not levied during any fiscal year for which

(1) the legislature does not, during the regular or a special legislative session preceding the first day of the fiscal year, appropriate at least an amount equal to the amount determined under (b) of this section from the general fund to the response account in the oil and hazardous substance release prevention and response fund; or

(2) the legislature, during the regular or a special legislative session preceding the first day of the fiscal year, appropriates at least the amount of money equal to the amount determined under (b) of this section from the general fund to the response account in the oil and hazardous substance release prevention and response fund and that appropriation is vetoed or reduced by the governor.

(b) The amount of money required to be appropriated from the general fund to the response account in the oil and hazardous substance release prevention and response fund by (a) of this section is the amount, determined for the last day of the preceding fiscal year, that is the sum of the actual or estimated balance of

(1) the account maintained under AS 37.05.142 to account for all proceeds of the surcharge that are deposited into the general fund; and

(2) the portion of the balance of the response mitigation account established by AS 46.08.025(b) that originated from the recovery of money described in AS 46.08.025(a)(3).

History -

(Sec. 16 ch 128 SLA 1994)

Sec. 43.55.240. Surcharge not imposed. [Repealed, Sec. 43 ch 128 SLA 1994].

Repealed or Renumbered

Sec. 43.55.299. Definitions.

In AS 43.55.201 - 43.55.299,

(1) "response account" means the oil and hazardous substance release response account established in AS 46.08.010(a)(2);

(2) "response mitigation account" means the oil and hazardous substance release response mitigation account established in AS 46.08.025(b).

History -

(Sec. 17 ch 128 SLA 1994)

Article 03. ADDITIONAL CONSERVATION SURCHARGE ON OIL

Sec. 43.55.300. Surcharge levied.

(a) Every producer of oil shall pay a surcharge of \$.04 per barrel of oil produced from each lease or property in the state, less any oil the ownership or right to which is exempt from taxation.

(b) The surcharge imposed by (a) of this section is in addition to the tax imposed by AS 43.55.011 and is due on the last day of the month on oil produced from each lease or property during the preceding month. The surcharge is in addition to the surcharge imposed by AS 43.55.201 - 43.55.231.

(c) A producer of oil shall make a report of production on March 31 of the year following the calendar year of production and in the same manner and under the same penalties as required under AS 43.55.011 - 43.55.180.

(d) Oil not considered under AS 43.55.020(e) to be produced from a lease or property is not considered to be produced from a lease or property for purposes of this section.

History -

(Sec. 17 ch 128 SLA 1994; am Sec. 28, 29 ch 2 TSSLA 2006)

Sec. 43.55.310. Use of revenue derived from surcharge.

The legislature may appropriate the annual estimated balance of the account maintained under AS 37.05.142 for deposits into the general fund of the proceeds of the surcharge levied under AS 43.55.300 to the oil and hazardous substance release prevention account in the oil and hazardous substance release prevention and response fund established by AS 46.08.010.

History -

(Sec. 17 ch 128 SLA 1994)