

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE FEIGE

TO: CSSB 138(FIN) am

Page 26, following line 24:

Insert a new bill section to read:

"* Sec. 33. AS 43.20.144(d) is amended to read:

(d) The sales factor of a taxpayer subject to this section is a fraction,

(1) the numerator of which is the sum of the following for the tax period:

(A) the tariffs allowed and received by or for the taxpayer for transporting oil or gas by pipeline in this state, regardless of whether the tariffs are paid by third parties or by entities within the taxpayer's consolidated business; and

(B) the total sales of the taxpayer in this state, determined in accordance with AS 43.19 (Multistate Tax Compact), but excluding

(i) those sales already included in the tariffs described in (A) of this paragraph;

(ii) constructive sales or sales considered to be sales of natural gas delivered to the state as payment of tax under an election made by the taxpayer under AS 43.55.014;

(iii) fees, allowed and received, that are paid between entities within the consolidated business of the taxpayer for transporting the taxpayer's natural gas; and

(2) the denominator of which is the sum of the following for the tax period:

(A) the tariffs allowed and received by or for the taxpayer's

consolidated business for transporting oil or gas by pipeline everywhere, regardless of whether the tariffs are paid by third parties or by entities within the taxpayer's consolidated business; and

(B) the total sales of the taxpayer's consolidated business everywhere, determined in accordance with AS 43.19 (Multistate Tax Compact), but excluding

(i) those sales already included in the tariffs described in (A) of this paragraph;

(ii) constructive sales or sales considered to be sales of natural gas delivered to the state as payment of tax under an election made by the taxpayer under AS 43.55.014 or delivered in another tax jurisdiction under a law comparable to AS 43.55.014;

(iii) fees, allowed and received, that are paid between entities within the consolidated business of the taxpayer for transporting the taxpayer's natural gas."

Renumber the following bill sections accordingly.

Page 31, line 18:

Delete "sec. 37"

Insert "sec. 38"

Page 56, line 6:

Delete "37, 39, and 55 - 61"

Insert "38, 40, and 56 - 62"

Page 56, line 8:

Delete "Section 38"

Insert "Section 39"

Page 56, line 9:

- 1 Delete "secs. 62 and 63"
- 2 Insert "secs. 63 and 64"