

**AMENDMENT**

OFFERED IN THE HOUSE

BY REPRESENTATIVE FEIGE

TO: CSSB 138(FIN) am

1 Page 30, lines 12 - 17:

2 Delete all material and insert:

3 "d) An assessment under AS 43.05.245 against a producer for an  
4 underpayment of a tax levied by this section may be made in terms of an amount of  
5 gas or an amount of money, as determined under regulations adopted by the  
6 department. If the assessment is made in terms of money, the amount for a month of  
7 production for an oil and gas lease subject to an effective election under (a) of this  
8 section is the product of the number of units of gas by which the producer's delivery to  
9 the state was less than the amount required by (b) of this section, multiplied by the  
10 gross value at the point of production for each unit of the gas other than gas that was  
11 not subject to tax or gas that was delivered to the state under (b) of this section. The  
12 department may allow a credit or refund under AS 43.05.275 for an overpayment of a  
13 tax levied by this section that may be issued in the form of gas or money, as  
14 determined under regulations adopted by the department. If the refund is allowed in  
15 terms of money, the amount of the credit or refund for a month of production for an oil  
16 and gas lease subject to an effective election under (a) of this section is the product of  
17 the number of units of gas by which the producer's delivery to the state was more than  
18 the amount required under (b) of this section, multiplied by the gross value at the point  
19 of production for each unit of the gas other than gas that was not subject to tax or gas  
20 that was delivered to the state under (b) of this section. Interest that is determined as a  
21 percentage of the amount of a tax underpayment or overpayment and a penalty that is  
22 a percentage of the amount of a tax underpayment are calculated as a percentage of the  
23 amount of money determined in this subsection. An amount of gas that was less than

1 the amount required to be delivered to the state under (b) of this section or an amount  
2 of gas that was more than the amount required to be delivered to the state under (b) of  
3 this section that is adjusted as provided by a gas balancing agreement to which the  
4 state is a party under AS 38.05.020(b)(11) is not subject to assessment under  
5 AS 43.05.245 or a credit or refund under AS 43.05.275. In this subsection, "unit"  
6 means a unit of measurement for gas identified by the department under regulations  
7 adopted by the department and may be expressed as 1,000 cubic feet, 1,000,000  
8 British thermal units, or another appropriate unit of measurement specified by the  
9 department under regulations adopted by the department."