

**AMENDMENT**

OFFERED IN THE HOUSE

BY REPRESENTATIVE HAWKER

TO: CSSB 138(FIN) am

1 Page 26, following line 24:

2 Insert a new bill section to read:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

16  
 17 Renumber the following bill sections accordingly.

18  
 19 Page 31, line 18:

20 Delete "sec. 37"

21 Insert "sec. 38"

22  
 23 Page 56, line 6:

24 Delete "37, 39, and 55 - 61"

25 Insert "38, 40, and 56 - 62"

26  
 27 Page 56, line 8:

28 Delete "Section 38"

29 Insert "Section 39"

30  
 31 Page 56, line 9:

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