

*Hawker*

**AMENDMENT**

*#1*

OFFERED IN THE HOUSE

TO: HCS CSSB 21(RES), Draft Version "K"

1 Page 17, following line 11:

2 Insert a new bill section to read:

3 **\*\* Sec. 24.** AS 43.55.024(d) is amended to read:

4 (d) A producer may not take a tax credit under (c) of this section for any  
5 calendar year after the later of

6 (1) 2022 [2016]; or

7 (2) if the producer did not have commercial oil or gas production from  
8 a lease or property in the state before April 1, 2006, the ninth calendar year after the  
9 calendar year during which the producer first has commercial oil or gas production  
10 before May 1, 2016, from at least one lease or property in the state."

11

12 Renumber the following bill sections accordingly.

13

14 Page 29, line 6:

15 Delete "sec. 31"

16 Insert "sec. 32"

17

18 Page 29, line 20:

19 Delete "sec. 36"

20 Insert "sec. 37"

21

22 Page 29, line 24:

23 Delete "28, and 37"

1           Insert "29, and 38"

2

3   Page 29, line 25:

4           Delete "31"

5           Insert "32"

Tuck + Tam

AMENDMENT

#2

OFFERED IN THE HOUSE

TO: HCS CSSB 21(RES), Draft Version "K"

1 Page 1, lines 2 - 11:

2 Delete "providing a tax credit against the corporation income tax for qualified oil  
3 and gas service industry expenditures; relating to the oil and gas production tax rate;  
4 relating to gas used in the state; relating to monthly installment payments of the oil and  
5 gas production tax; relating to oil and gas production tax credits for certain losses and  
6 expenditures; relating to oil and gas production tax credit certificates; relating to  
7 nontransferable tax credits based on production; relating to the oil and gas tax credit  
8 fund; relating to annual statements by producers and explorers; relating to the  
9 determination of annual oil and gas production tax value including adjustments based  
10 on a percentage of gross value at the point of production from certain leases or  
11 properties;"

12

13 Page 5, line 27, through page 12, line 31:

14 Delete all material and insert:

15 "\* Sec. 11. AS 43.55.011(g) is amended to read:

16 (g) For each month of the calendar year for which the producer's average  
17 monthly production tax value under AS 43.55.160(a)(2) of a [PER] BTU equivalent  
18 barrel of the taxable oil and gas is more than \$30, the amount of tax for purposes of  
19 (e)(2) of this section is determined by multiplying the monthly production tax value of  
20 the taxable oil and gas produced during the month by the tax rate calculated as  
21 follows:

22 (1) if the producer's average monthly production tax value of a [PER]  
23 BTU equivalent barrel of the taxable oil and gas for the month is not more than

1 \$92.50, the tax rate is 0.4 percent multiplied by the number that represents the  
2 difference between that average monthly production tax value of a [PER] BTU  
3 equivalent barrel and \$30; or

4 (2) if the producer's average monthly production tax value of a [PER]  
5 BTU equivalent barrel of the taxable oil and gas for the month is more than \$92.50,  
6 the tax rate is the sum of 25 percent and the product of 0.1 percent multiplied by the  
7 number that represents the difference between the average monthly production tax  
8 value of a [PER] BTU equivalent barrel and \$92.50, except that the sum determined  
9 under this paragraph may not exceed 30 [50] percent."

10  
11 **Renumber the following bill sections accordingly.**

12  
13 **Page 14, line 13, through page 16, line 9:**

14 **Delete all material.**

15  
16 **Renumber the following bill sections accordingly.**

17  
18 **Page 16, lines 11 - 12:**

19 **Delete "of this section"**

20  
21 **Page 16, line 12:**

22 **Delete "former"**

23  
24 **Page 16, line 26, through page 25, line 20:**

25 **Delete all material.**

26  
27 **Renumber the following bill sections accordingly.**

28  
29 **Page 28, line 30, through page 29, line 15:**

30 **Delete all material.**

31

1 **Renumber the following bill sections accordingly.**

2

3 **Page 29, line 20:**

4 **Delete "sec. 36"**

5 **Insert "sec. 16"**

6

7 **Page 29, lines 22 - 26:**

8 **Delete all material.**

Tuck+Tarr

**AMENDMENT**

# 3

OFFERED IN THE HOUSE

TO: HCS CSSB 21(RES), Draft Version "K"

1 Page 6, line 6:

2 Delete "(g)"

3 Insert "(g)(1) [(g)]"

4

5 Page 6, line 7, following "2014,":

6 Insert "

7 (A)"

8

9 Page 6, line 9, following "percent":

10 Insert "; and

11 (B) the sum, over all the months of the calendar year, of the  
12 tax amounts determined under (g) of this section"

13

14 Page 6, following line 9:

15 Insert a new bill section to read:

16 "\* Sec. 12. AS 43.55.011(g) is amended to read:

17 (g) For purposes of (e) of this section, the tax amount is determined by  
18 multiplying the monthly production tax value of the taxable oil and gas produced  
19 during the month by the tax rate calculated as follows:

20 (1) before January 1, 2014, for [FOR] each month of the calendar  
21 year for which the producer's average monthly production tax value under  
22 AS 43.55.160(a)(2) of a [PER] BTU equivalent barrel of the taxable oil and gas is  
23 more than \$30, [THE AMOUNT OF TAX FOR PURPOSES OF (e)(2) OF THIS

1 SECTION IS DETERMINED BY MULTIPLYING THE MONTHLY  
2 PRODUCTION TAX VALUE OF THE TAXABLE OIL AND GAS PRODUCED  
3 DURING THE MONTH BY] the tax rate calculated as follows:

4 **(A) [(1)]** if the producer's average monthly production tax value **of a**  
5 **[PER]** BTU equivalent barrel of the taxable oil and gas for the month is not more than  
6 \$92.50, the tax rate is 0.4 percent multiplied by the number that represents the  
7 difference between that average monthly production tax value **of a** **[PER]** BTU  
8 equivalent barrel and \$30; or

9 **(B) [(2)]** if the producer's average monthly production tax value  
10 **of a** **[PER]** BTU equivalent barrel of the taxable oil and gas for the month is  
11 more than \$92.50, the tax rate is the sum of 25 percent and the product of 0.1  
12 percent multiplied by the number that represents the difference between the  
13 average monthly production tax value **of a** **[PER]** BTU equivalent barrel and  
14 \$92.50, except that the sum determined under this paragraph may not exceed  
15 50 percent;

16 **(2) on or after January 1, 2014, for each month of the calendar**  
17 **year for which the producer's average monthly production tax value under**  
18 **AS 43.55.160(a)(2) of a BTU equivalent barrel of the taxable oil and gas is more**  
19 **than \$55, the tax rate calculated by multiplying by 0.2 the number that**  
20 **represents the difference between that average monthly production tax value of a**  
21 **BTU equivalent barrel and \$55, except that the tax rate determined under this**  
22 **paragraph may not exceed 15 percent."**

23  
24 Renumber the following bill sections accordingly.

25  
26 Page 10, line 17:

27 Delete "**35 percent**"

28 Insert "**the sum of 35 percent and the tax rate calculated for the month under**  
29 **AS 43.55.011(g)**"

30  
31 Page 11, line 1:

1 Delete "35 percent"

2 Insert "the sum of 35 percent and the tax rate calculated for the month under  
3 AS 43.55.011(g)"

4

5 Page 11, line 14:

6 Delete "35 percent"

7 Insert "the sum of 35 percent and the tax rate calculated for the month under  
8 AS 43.55.011(g)"

9

10 Page 11, line 23:

11 Delete "35 percent"

12 Insert "the sum of 35 percent and the tax rate calculated for the month under  
13 AS 43.55.011(g)"

14

15 Page 12, lines 13 - 31:

16 Delete all material.

17

18 Renumber the following bill sections accordingly.

19

20 Page 13, line 25, through page 14, line 12:

21 Delete all material.

22

23 Renumber the following bill sections accordingly.

24

25 Page 28, line 31:

26 Delete "43.55.011(g)"

27 Insert "43.55.011(g)(1)"

28

29 Page 29, line 1:

30 Delete "AS 43.55.020(d), 43.55.023(i), 43.55.023(p), 43.55.160(a)(2), and  
31 43.55.160(c)"



1           Insert "43.55.023(i), and 43.55.023(p)"

2

3   Page 29, line 5:

4           Delete "Section 13"

5           Insert "Section 14"

6

7   Page 29, line 6:

8           Delete "sec. 31"

9           Insert "sec. 30"

10

11   Page 29, line 7:

12           Delete "Sections 18 and 20 - 23"

13           Insert "Sections 17 and 19 - 22"

14           Delete "sec. 18"

15           Insert "sec. 17"

16

17   Page 29, line 9:

18           Delete "Section 19"

19           Insert "Section 18"

20

21   Page 29, line 20:

22           Delete "sec. 36"

23           Insert "sec. 35"

24

25   Page 29, line 24:

26           Delete "Sections 13, 20 - 23, 28, and 37"

27           Insert "Sections 14, 19 - 22, 27, and 36"

28

29   Page 29, line 25:

30           Delete "sec. 18"

31           Insert "sec. 17"

- 1 Delete "sec. 31"
- 2 Insert "sec. 30"

Tuek + Tarr

AMENDMENT

#4

OFFERED IN THE HOUSE

TO: HCS CSSB 21(RES), Draft Version "K"

1 Page 1, line 4:

2 Delete "rate"

3 Insert "rates"

4

5 Page 6, line 8:

6 Delete "35"

7 Insert "50"

8

9 Page 6, following line 9:

10 Insert a new bill section to read:

11 **\*\* Sec. 12.** AS 43.55.011(f) is amended to read:

12 (f) **Before January 1, 2014, the** [THE] levy of tax under this section for oil  
13 and gas produced north of 68 degrees North latitude, other than oil and gas production  
14 subject to (i) of this section and gas subject to (o) of this section, may not be less than

15 (1) four percent of the gross value at the point of production when the  
16 average price per barrel for Alaska North Slope crude oil for sale on the United States  
17 West Coast during the calendar year for which the tax is due is more than \$25;

18 (2) three percent of the gross value at the point of production when the  
19 average price per barrel for Alaska North Slope crude oil for sale on the United States  
20 West Coast during the calendar year for which the tax is due is over \$20 but not over  
21 \$25;

22 (3) two percent of the gross value at the point of production when the  
23 average price per barrel for Alaska North Slope crude oil for sale on the United States

1 West Coast during the calendar year for which the tax is due is over \$17.50 but not  
2 over \$20;

3 (4) one percent of the gross value at the point of production when the  
4 average price per barrel for Alaska North Slope crude oil for sale on the United States  
5 West Coast during the calendar year for which the tax is due is over \$15 but not over  
6 \$17.50; or

7 (5) zero percent of the gross value at the point of production when the  
8 average price per barrel for Alaska North Slope crude oil for sale on the United States  
9 West Coast during the calendar year for which the tax is due is \$15 or less."  
10

11 Renumber the following bill sections accordingly.

12  
13 Page 7, following line 1:

14 Insert new bill sections to read:

15 **"\* Sec. 15.** AS 43.55.011 is amended by adding a new subsection to read:

16 (g) On and after January 1, 2014, except for oil and gas subject to (i) of this  
17 section and gas subject to (o) of this section, the provisions of this subsection apply to  
18 oil and gas produced from each lease or property within a unit or nonunitized reservoir  
19 that has cumulatively produced 1,000,000,000 BTU equivalent barrels of oil or gas by  
20 the close of the most recent calendar year and from which the average daily oil and  
21 gas production from the unit or nonunitized reservoir during the most recent calendar  
22 year exceeded 100,000 BTU equivalent barrels. Notwithstanding any contrary  
23 provision of law, a producer may not apply tax credits to reduce its total tax liability  
24 under (e) of this section for oil and gas produced from all leases or properties within  
25 the unit or nonunitized reservoir below 10 percent of the total gross value at the point  
26 of production of that oil and gas. If the amount of tax calculated by multiplying the tax  
27 rates in (e) of this section by the total production tax value of the oil and gas taxable  
28 under (e) of this section produced from all of the producer's leases or properties within  
29 the unit or nonunitized reservoir is less than 10 percent of the total gross value at the  
30 point of production of that oil and gas, the tax levied by (e) of this section for that oil  
31 and gas is equal to 10 percent of the total gross value at the point of production of that