

**From:** Allen Houtz  
**Sent:** Friday, March 18, 2016 10:33 PM  
**To:** Senate Resources <SenateResources@akleg.gov>  
**Subject:** HB100

Committee Members:

As a Kenai resident for the past forty-eight years, I would like to comment on the wisdom of encouraging industrial activity in our area. In general, a clearly defined and stable tax regime is critical to attracting large investments with long time horizons. Please do what you can to put a stop to actual or threatened unpredictable tax regime variations. That sort of uncertainty makes investing in Alaska similar to investing in Brazil, Argentina, or Nigeria.

With specific regard to HB100, I would note that there is a long history of offering tax incentives to encourage large capital investments in nations, states, or communities. This particular bill as I understand it will only give tax relief to the extent that the investor actually generates enough gas demand to produce income for the State of Alaska that equals or exceeds the potential tax incentive. That provides incentive with no direct cost to our state government, and once the incentive expires will produce continuing state revenue for many years. I would encourage you to move the bill to the floor to allow our senators to vote on the proposal.

Thank you for the opportunity to comment.

Allen Houtz