

**CS FOR HOUSE BILL NO. 253(RES)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - SECOND SESSION

**BY THE HOUSE RESOURCES COMMITTEE**

**Offered:  
Referred:**

**Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to an exemption from the mining license tax; relating to the mining**  
2 **license tax rate; relating to mining license application, renewal, and fees; and providing**  
3 **for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 **\* Section 1.** AS 43.65.010(a) is amended to read:

6 (a) A person prosecuting or attempting to prosecute, or engaging in the  
7 business of mining in the state shall obtain a license from the department. All new  
8 mining operations are exempt from the tax levied by this chapter for three [AND  
9 ONE-HALF] years after production begins.

10 **\* Sec. 2.** AS 43.65.010(c) is amended to read:

11 (c) The license tax on mining is as follows: on [UPON] the net income of the  
12 taxpayer from the property in the state, computed with allowable depletion, plus  
13 royalty received in connection with mining property in the state  
14 over \$40,000 and not over \$50,000 ..... 3 percent

1 over \$50,000 and not over \$100,000 ..... \$1,500 plus  
 2 5 percent of the excess over \$50,000  
 3 over \$100,000 ..... \$4,000 plus  
 4 8 [7] percent of the excess over \$100,000.

5 \* **Sec. 3.** AS 43.65.020(d) is amended to read:

6 (d) [A TAXPAYER'S RETURN SHALL BE MADE TO THE  
 7 DEPARTMENT AT JUNEAU.] A taxpayer shall make a return either on a calendar  
 8 year or fiscal year basis, in conformance with the basis used in making the taxpayer's  
 9 return for federal income tax purposes.

10 \* **Sec. 4.** AS 43.65.030 is amended to read:

11 **Sec. 43.65.030. Fees for applications and [APPLICATION FOR] renewals.**

12 The fee for a mining license and for each renewal is \$50. Application for renewal of  
 13 a mining license shall be made before January 1 [MAY 1] of the license [EACH]  
 14 year.

15 \* **Sec. 5.** The uncodified law of the State of Alaska is amended by adding a new section to  
 16 read:

17 APPLICABILITY. (a) AS 43.65.010(a), as amended by sec. 1 of this Act, applies to a  
 18 mining operation that begins production on or after the effective date of sec. 1 of this Act.

19 (b) AS 43.65.010(c), as amended by sec. 2 of this Act, applies to net income of a  
 20 taxpayer from property in the state during a taxable year that begins on or after the effective  
 21 date of sec. 2 of this Act.

22 \* **Sec. 6.** The uncodified law of the State of Alaska is amended by adding a new section to  
 23 read:

24 TRANSITION: REGULATIONS. The Department of Revenue may adopt regulations  
 25 necessary to implement the changes made by this Act. The regulations take effect under  
 26 AS 44.62 (Administrative Procedure Act), but not before the effective date of the law  
 27 implemented by the regulation.

28 \* **Sec. 7.** Section 6 of this Act takes effect immediately under AS 01.10.070(c).

29 \* **Sec. 8.** Except as provided in sec. 7 of this Act, this Act takes effect July 1, 2016.