

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

Current Corporate Tax on Oil: Worldwide Apportionment

Excerpt from AS 43.20.144: Oil and gas producers and pipelines

(f) The extraction factor of a taxpayer subject to this section is a fraction,

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

(A) the number of barrels of the taxpayer's oil (net of royalty to an unrelated party) produced from or allocated to leases or properties of the taxpayer in this state; and

(B) one-sixth of the number of Mcf of the taxpayer's gas, excluding reinjected gas but including gas subject to an election under AS 43.55.014, (net of royalty to an unrelated party) produced from or allocated to leases or properties of the taxpayer in this state; and

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

(A) the number of barrels of oil of the taxpayer's consolidated business (net of royalty to an unrelated party) produced from or allocated to leases or properties of the taxpayer's consolidated business everywhere; and

(B) one-sixth of the number of Mcf of gas, excluding reinjected gas but including gas subject to an election under AS 43.55.014, of the taxpayer's consolidated business (net of royalty to an unrelated party) produced from or allocated to leases or properties of the taxpayer's consolidated business everywhere.