

HB111 – Testimony  
Supporting

**HB111 Written Testimony by Barry Santana 3/27/2017**

I am in strong support of **modifying or completely eliminating all oil and gas tax credits as well as changing the current net tax system in a way that works for the state at oil prices below \$100/BBL**. If oil and gas exploration and production in Alaska are no longer economically viable for the current producers or those companies hoping to explore and produce in Alaska, we should not subsidize those activities. We are at a point in time where the low price of oil, current production tax legislation and our tax credit policy provides an insignificant revenue stream for oil produced except for our royalty oil share. We need to cut our losses and look for other economic activities or resources that provide a profit for the state of Alaska. We need to attract business activities where both the private sector and government enjoy profits.

Although I would change the provisions of HB111 as shown below, I believe **any relief available from the current production tax giveaways and huge tax credits we are exposing the State to under current statute is beneficial:**

- Section 2: Increase the North Slope minimum tax to 10% of gross value for oil and gas at all prices produced after FY2017.
- Section 3: Increase minimum to 10%.
- Section 5: Eliminate the NOL provision on the North Slope.
- Section 7: Zero out the per barrel credit at all oil prices.

Thank you for considering my comments and suggestions on HB111.

Barry Santana  
Pedro Bay and Wasilla

I strongly support passage of HB 111 as part of a fair and equitable tax revenue package to meet our state's fiscal needs.  
We all need to pay.

Thank you,

Sharon Baring  
Fairbanks, Ak 99708

Hello —

I strongly support HB 111, the oil and gas taxes bill.

The reforms in HB 111 are important. They may not fully solve the state's deficit, but they make financial sense – passing comprehensive oil tax reform will bolster other fiscal reform efforts. How can you ask Alaskans to cut additional funding to vital services (like the education of our children and college students), pay an income tax, pay a statewide sales tax, or lose their dividend to help pay for millions of dollars in direct cash payments to a *for-profit company undertaking normal, for-profit business operations*?

It is imperative for Alaska to take action so we are no longer subsidizing the oil and gas industry. We can't afford to pay them for taking our oil. For that reason, I strongly support HB 111, and urge quick and positive action on it.

Thank you.

Larri Spengler

Larri Irene Spengler

Juneau, Alaska 99801

