

AMENDMENT

OFFERED IN THE SENATE

BY SENATOR MYERS

TO: CSSB 280(RES), Draft Version "G"

1 Page 3, line 1, following "on":

2 Insert "(1)"

3

4 Page 3, line 3, following "AS 43.56.010":

5 Insert "; or

6 (2) a spur line, as defined in AS 43.59.010(e)"

7

8 Page 27, line 4, through page 28, line 3:

9 Delete all material and insert:

10 "* **Sec. 31.** AS 43.56.020(d) is amended to read:

11 (d) **Real or personal property used or committed by contract or other**
12 **agreement for the construction, operation, or maintenance** [TAXABLE
13 PROPERTY] of a natural gas pipeline project **or spur line** [OWNED OR FINANCED
14 BY THE ALASKA GASLINE DEVELOPMENT CORPORATION OR A JOINT
15 VENTURE, PARTNERSHIP, OR OTHER ENTITY THAT INCLUDES THE
16 ALASKA GASLINE DEVELOPMENT CORPORATION] is exempt from state taxes
17 levied or authorized under AS 43.56.010(a) and municipal taxes levied or authorized
18 under AS 43.56.010(b) [BEFORE THE COMMENCEMENT OF COMMERCIAL
19 OPERATIONS OF THAT NATURAL GAS PIPELINE PROJECT]. In this
20 subsection,

21 **(1) "natural gas pipeline project" means a natural gas pipeline**
22 **project subject to, or expected by the department to be subject to, the tax under**
23 **AS 43.59.010 or the fee under AS 43.59.020;**

1 **(2) "spur line" has the meaning given in AS 43.59.010(e)**
 2 ["COMMENCEMENT OF COMMERCIAL OPERATIONS" MEANS THE FIRST
 3 FLOW OF NATURAL GAS IN THE PROJECT THAT GENERATES REVENUE
 4 TO THE OWNERS OF THE NATURAL GAS PIPELINE PROJECT].

5 * **Sec. 32.** AS 43.56.020(d), as amended by sec. 31 of this Act, is amended to read:

6 (d) **Taxable property** [REAL OR PERSONAL PROPERTY USED OR
 7 COMMITTED BY CONTRACT OR OTHER AGREEMENT FOR THE
 8 CONSTRUCTION, OPERATION, OR MAINTENANCE] of a natural gas pipeline
 9 project **owned or financed by the Alaska Gasline Development Corporation or a**
 10 **joint venture, partnership, or other entity that includes the Alaska Gasline**
 11 **Development Corporation** [OR SPUR LINE] is exempt from state taxes levied or
 12 authorized under AS 43.56.010(a) and municipal taxes levied or authorized under
 13 AS 43.56.010(b) **before the commencement of commercial operations of that**
 14 **natural gas pipeline project**. In this subsection, **"commencement of commercial**
 15 **operations" means the first flow of natural gas in the project that generates**
 16 **revenue to the owners of the natural gas pipeline project** [(1) "NATURAL GAS
 17 PIPELINE PROJECT" MEANS A NATURAL GAS PIPELINE PROJECT SUBJECT
 18 TO, OR EXPECTED BY THE DEPARTMENT TO BE SUBJECT TO, THE TAX
 19 UNDER AS 43.59.010 OR THE FEE UNDER AS 43.59.020;

20 (2) "SPUR LINE" HAS THE MEANING GIVEN IN AS 43.59.010(e)."
 21

22 Page 28, line 25:

23 Delete "Property associated with a spur line remains subject to taxation under
 24 AS 43.56.010."