



ALASKA STATE LEGISLATURE

SENATE RULES COMMITTEE

SENATOR BILL WIELECHOWSKI, CHAIR
State Capitol Rm 103, Juneau, AK 99801, Phone 465-2435

Senate Bill 112

Oil & Gas Production Tax

Sectional Analysis for Version I

Section 1. Amends AS 43.55.024(i):

Adds language to conform to the new subsection (k) under section 3 limiting the application of the \$5 per-barrel credit for new fields receiving a gross value reduction.

Section 2. Amends AS 43.55.024(j):

Adds both conforming language for subsection (k) under section 3 and reduces the per-barrel credit slider from an \$8 to \$1 slider to a \$5 to \$1 slider.

Section 3. Adds a new subsection (k) to AS 43.55.024:

This new subsection will tie the amount of per-barrel credits a producer may claim to the amount of qualified capital expenses that producer incurs on their property or leases. Limits a producer's ability to carry forward unused per-barrel credits.

Section 4. Adds an applicability section:

This Act applies to credits from oil production on or after January 1, 2025.

Section 5. Adds a new uncodified law section:

This section addresses the transition of tax payments under this Act.

Section 6. Adds a new section of uncodified law:

This section addresses the Department of Revenues ability to make regulations retroactive.

Section 7. Adds a new section of uncodified law:

Sets a retroactive date of January 1, 2025.

Section 8. Sets an immediate effective date.