

Revenue

Applicable Program
Corporate Income Tax

Indirect Expenditure Name
Exempt corporations from tax that are participants in contract under Stranded Gas Development Act

Department of Revenue Submission per AS 43.05.095

(1) Description of Provision

Corporations that are a party to a contract under the Stranded Gas Development Act are exempt from corporate income tax filing requirements, if the agreement provides for a payment in lieu of income tax.

(2) Authorizing Statute Regulation or Other Authority

AS 43.20.145 (g)

(3) Year Enacted

1998

(4) Sunset or Repeal Date

None

(5) Legislative Intent

This provision is intended to allow the state to take payment in lieu of tax under the Stranded Gas Development Act.

(6) Public Purpose

To promote the construction of a gas pipeline from the North Slope to export markets.

(7) Estimated Revenue Impact

FY 2009 - \$0

FY 2010 - \$0

FY 2011 - \$0

FY 2012 - \$0

FY 2013 - \$0

(8) Cost to Administer

None

(9) Number of Beneficiaries

0

Legislative Finance Analysis per AS 24.20.235

(1) Estimate of Annual Revenue Foregone by the State

None

(2) Estimate of Annual Benefit to Recipients

None

(3) Legislative Intent Met?

No

(4) Should it be Continued, Modified or Terminated?

Recommended termination because the Stranded Gas Development Act is unlikely to be used in the future, rendering the exemption obsolete.