

# 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

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## 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.