

①
Adopted

29-GH2609\F.41
Nauman/Shutts
4/7/16

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE THOMPSON

TO: CSHB 247(FIN), Draft Version "F"

Proutt

		<i>Y</i>	<i>N</i>
1	Page 1, line 3:		
2	Delete "repealing a maximum production tax on certain oil;"	1	1
3			
4	Page 5, lines 5 - 26:	7	4
5	Delete all material.		
6			
7	Renumber the following bill sections accordingly.		
8			
9	Page 7, line 30:		
10	Delete "[, (k),]"		
11	Insert ", (k),"		
12			
13	Page 8, line 2:		
14	Delete "[, (k),]"		
15	Insert ", (k),"		
16			
17	Page 8, line 4:		
18	Delete "[, (k),]"		
19	Insert ", (k),"		
20			
21	Page 8, line 6:		
22	Delete "[OR (k) OF THIS SECTION FOR THE PRODUCTION OF OIL]"		
23	Insert "or (k) of this section for the production of oil"		

Adopted

(2)

29-GH2609\F.25
Nauman/Shutts
4/7/16

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE THOMPSON

TO: CSHB 247(FIN), Draft Version "F"

1 Page 17, lines 12 - 14:

2 Delete ", if the producer or explorer had, before January 1, 2017, taken a credit
3 under this subsection for an expenditure incurred in the Cook Inlet sedimentary basin"

Adopted

(4)

29-GH2609\ F.22
Nauman/Shutts
4/7/16

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE THOMPSON

TO: CSHB 247(FIN), Draft Version "F"

1 Page 32, line 28, through page 33, line 3:

2 Delete all material and insert:

3 **** Sec. 41. AS 43.70 is amended by adding new sections to read:**

4 **Sec. 43.70.025. Bond or cash deposit required for an oil or gas business.** (a)

5 At the time of applying for a license under this chapter, an applicant engaged in the
6 business of oil or gas exploration, development, or production shall file a surety bond
7 in the amount of \$250,000 running to the state, conditioned upon the applicant's
8 promise to pay all

9 (1) taxes and contributions due the state and political subdivisions;

10 (2) persons furnishing labor or material or renting or supplying
11 equipment to the applicant; and

12 (3) amounts that may be adjudged against the applicant because of
13 negligent or improper work or breach of contract while engaged in the business of oil
14 or gas exploration, development, or production.

15 (b) In lieu of the surety bond required under this section, the applicant may
16 file with the commissioner a cash deposit or other negotiable security acceptable to the
17 commissioner in the amount of \$250,000.

18 (c) The bond required by this section remains in effect until cancelled by
19 action of the surety, the principal, or if the commissioner finds that the business is
20 producing oil or gas in commercial quantities, by the commissioner.

21 **Sec. 43.70.028. Claims against an oil or gas business.** (a) A person having a
22 claim against a person required to file a surety bond under this section because of the
23 failure to pay a liability described in AS 43.70.025(a) may bring suit upon the bond. A

Adopted.

29-GH2609\F

[Redacted]

Conceptual AMENDMENT # 22

OFFERED IN THE HOUSE

BY Thompson

TO: CSHB 247(FIN)

- 1 Page 6, line 25, following "chapter":
- 2 Insert ", excluding a credit under AS 43.55.024(i),"
- 3
- 4 Page 6, line 31, following "chapter":
- 5 Insert ", excluding a credit under AS 43.55.024(i),"

FAILED

5

29-GH2609\F.30
Nauman/Shutts
4/7/16

AMENDMENT

OFFERED IN THE HOUSE

GATTIS

TO: CSHB 247(FIN), Draft Version "F"

1 Page 26, line 9:

2 Delete "lease or property"

3 Insert "well"

4 Delete "five"

5 Insert "10"

6

7 Page 26, line 11:

8 Delete "lease or property"

9 Insert "well"

10

11 Page 26, line 12:

12 Delete "lease or property"

13 Insert "well"

14

15 Page 26, line 13:

16 Delete "2021"

17 Insert "2026"

18

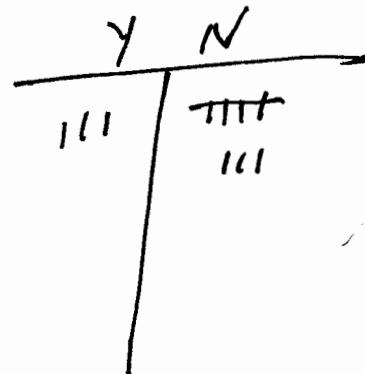
19 Page 26, line 31, through page 27, line 1:

20 Delete "lease or property"

21 Insert "well"

22

23 Page 27, line 1:



(6)

Withdrawn

29-GH2609F.28
Nauman/Shutts
4/7/16

AMENDMENT

OFFERED IN THE HOUSE

GATTIS

TO: CSHB 247(FIN), Draft Version "F"

1 Page 5, following line 4:

2 Insert a new bill section to read:

3 *** Sec. 10.** AS 43.55 is amended by adding a new section to read:

4 **Sec. 43.55.008. Tax relief.** The tax and the accrual of credits under this
5 chapter shall be suspended by the department if a taxpayer subject to tax under this
6 chapter demonstrates that the taxpayer has paid over 105 percent of the amount of the
7 taxpayer's income attributable to the state in state and federal taxes during the calendar
8 year. The department shall adopt regulations to implement this section."

9

10 Renumber the following bill sections accordingly.

11

12 Page 34, line 18:

13 Delete "26, and 27"

14 Insert "27, and 28"

15

16 Page 34, lines 23 - 24:

17 Delete "sec. 43"

18 Insert "sec. 44"

19

20 Page 34, line 25:

21 Delete "secs. 18, 19, 28, 36, and 37"

22 Insert "secs. 19, 20, 29, 37, and 38"

23

Pruitt, Gathis, Wilson
FAILED
7
29-GH2609\F.33
Nauman/Shutts
4/7/16

AMENDMENT

Y N

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

1 Page 16, line 11:
2 Delete "10 [20]"
3 Insert "20"

Wilson, Gattis, Pruitt
FAILED (8)

29-GH2609 F.32
Shutts
4/7/16

AMENDMENT

	Y	N
111		111
3		8

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

1 Page 26, line 9:

2 Delete "five"

3 Insert "15"

4

5 Page 26, line 13:

6 Delete "2021"

7 Insert "2032"

8

9 Page 27, line 1:

10 Delete "five"

11 Insert "15"

12

13 Page 27, line 4:

14 Delete "2021"

15 Insert "2032"

FAILED

Pruitt, Wilson, Gattis
⑨ 29-GH2609\F.31
Nauman/Shutts
4/7/16

A M E N D M E N T

~~Y~~ ~~N~~
~~|||||~~ ~~|||||~~

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

- 1 Page 33, following line 5:
 - 2 Insert a new bill section to read:
 - 3 **"* Sec. 43. AS 43.55.023(l), 43.55.023(n), and 43.55.023(o) are repealed January 1, 2019."**
 - 4
 - 5 Renumber the following bill sections accordingly.
 - 6
 - 7 Page 33, line 6:
 - 8 Delete "43.55.023(l), 43.55.023(n), 43.55.023(o),"
 - 9
 - 10 Page 34, lines 22 - 23:
 - 11 Delete "AND WELL LEASE EXPENDITURES"
 - 12
 - 13 Page 34, lines 23 - 24 :
 - 14 Delete ", (l), (n), and (o) by sec. 43"
 - 15 Insert "by sec. 44"
 - 16
 - 17 Page 34, line 24:
 - 18 Delete "43.55.029(a),"
 - 19
 - 20 Page 34, line 25:
 - 21 Delete "28,"
 - 22
 - 23 Page 34, line 26:

FAILED

Pruitt, Wilson, Gattis

10

29-GH2609F.35
Shutts
4/7/16

A M E N D M E N T

~~Y N~~
111 / 11111
4 / 7

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

- 1 Page 17, lines 5 - 9:
2 Delete "For lease expenditures incurred after December 31, 2016, to explore for, develop, or produce oil or gas deposits located south of 68 degrees North latitude and outside of the Cook Inlet sedimentary basin, a producer or explorer may elect to take a tax credit in the amount of 25 percent of a carried-forward annual loss."
3
4
5
6
- 7 Page 17, lines 9 - 10:
8 Delete "after December 31, 2016"
9 Insert "on or after January 1, 2017"
10
- 11 Page 17, line 11:
12 Delete "in the Cook Inlet sedimentary basin"
13 Insert "south of 68 degrees North latitude"
14
- 15 Page 17, lines 12 - 14:
16 Delete ", if the producer or explorer had, before January 1, 2017, taken a credit under this subsection for an expenditure incurred in the Cook Inlet sedimentary basin"
17
18
- 19 Page 18, line 31:
20 Delete "[SOUTH OF 68 DEGREES NORTH LATITUDE]"
21 Insert "south of 68 degrees North latitude"
22
- 23 Page 19, line 3:

FAILED

Wilson
Pruitt
Gattis

29-GH2609\F.37
Shutts
4/7/16

11
✓ N
3 8

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

- 1 Page 1, lines 2 - 3:
2 Delete "**relating to the minimum oil and gas production tax;**"
- 3
- 4 Page 5, line 27, through page 7, line 25:
5 Delete all material.
- 6
- 7 Renumber the following bill sections accordingly.
- 8
- 9 Page 8, lines 12 - 17:
10 Delete all material.
- 11
- 12 Renumber the following bill sections accordingly.
- 13
- 14 Page 11, line 18:
15 Delete "**and (10)**"
- 16
- 17 Page 13, line 23:
18 Delete "**except as provided in (10) of this subsection,**"
- 19
- 20 Page 15, line 27:
21 Delete "**AS 43.55.011(f) [AS 43.55.011(f)(1) OR (2)]**"
- 22 Insert "AS 43.55.011(f)(1) or (2)"
- 23

Wilson
Gattis
Pruitt

12

29-GH2609\F.40
FAILED
Nauman/Shutts
4/7/16

AMENDMENT

Y N
5 | 6

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

1 Page 3, line 18:

2 Delete "(i)"

3

4 Page 3, lines 23 - 28:

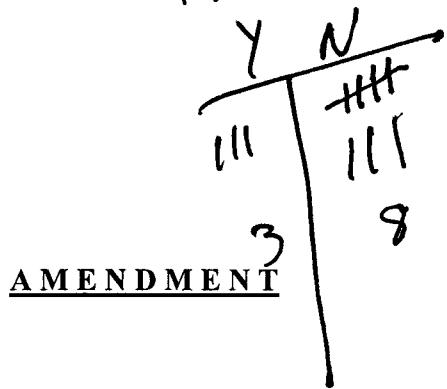
5 Delete "and"

6 (ii) after the first four years after a tax becomes
7 delinquent, in each calendar quarter at a rate of five percentage
8 points above the annual rate charged member banks for advances
9 by the 12th Federal Reserve District as of the first day of that
10 calendar quarter"

11 Insert "no interest shall accrue after the first four years after a tax becomes

12 delinquent"

FAILED



(13)
29-GH2609\F.39
Nauman/Shutts
4/7/16

Carrie
Guttenberg
Kawasaki

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

1 Page 16, line 30, following "January 1, 2016,":

2 Insert "and before January 1, 2017,"

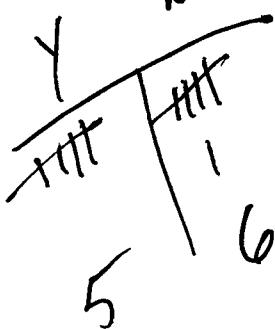
3

4 Page 17, line 1, following "loss.":

5 Insert "For lease expenditures incurred after December 31, 2017, to explore for,
6 develop, or produce oil or gas deposits located north of 68 degrees North latitude, a
7 producer or explorer may elect to take a tax credit in the amount of 20 percent of a
8 carried-forward annual loss."

conceptual 13 amend
FAILED to 25%
by Gara

conceptual
amendment to
by Mn02 25%
W/D



14

29-GH2609 F.19

Shutts

4/6/16

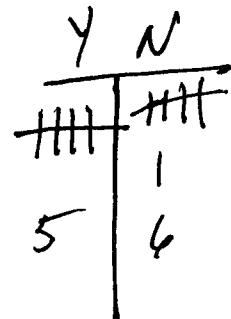
FAILED

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

- 1 Page 19, lines 12 - 14:
 - 2 Delete all material.
- 3
- 4 Reletter the following subparagraphs accordingly.
 - 5
- 6 Page 19, line 15:
 - 7 Delete "20"
 - 8 Insert "10"
- 9
- 10 Page 19, line 16:
 - 11 Delete "2017"
 - 12 Insert "2016"
- 13
- 14 Page 19, line 19:
 - 15 Delete "2017"
 - 16 Insert "2016"



Gava
Guttenberg
Kawasaki

15

29-GH2609\F.21
Shutts
4/6/16

FILED
3/8
X

GARIA
GUTTENBERG
Kawasaki

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

1 Page 22, line 4:

2 Delete "\$100,000,000"

3 Insert "\$25,000,000"

4

5 Page 22, line 12:

6 Delete "\$100,000,000"

7 Insert "\$25,000,000"

16

FAILED

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

BY REPRESENTATIVES KAWASAKI,

GARA, AND GUTTENBERG

1 Page 17, line 5:
2 Delete "For"
3 Insert "Subject to the limitations in (q) of this section, for"
4
5 Page 17, line 9:
6 Delete "For"
7 Insert "Subject to the limitations in (q) of this section, for"
8
9 Page 19, following line 29:
10 Insert a new bill section to read:
11 **** Sec. 21.** AS 43.55.023 is amended by adding new subsections to read:
12 (q) In a single calendar year, the department may not grant a credit accrued
13 under (b) of this section against the taxes due under this chapter and a cash payment
14 under AS 43.55.028 resulting from a credit under (b) of this section if the credit or
15 payment, or the sum of the credit and payment, exceeds
16 (1) \$50,000,000 for each person;
17 (2) \$200,000,000 for each unit.
18 (r) If the total application of credits accrued under (b) of this section against
19 taxes due under this chapter and applications for cash payments under AS 43.55.028
20 resulting from a credit under (b) of this section exceed \$200,000,000 for each unit, the
21 department shall prorate the application of credits accrued under (b) of this section
22 against taxes due under this chapter and applications for cash payments under
23 AS 43.55.028 resulting from a credit under (b) of this section by ownership interest in

FAILED
Y/N
3/8

(F)
29-GH2609\F.42
Nauman/Shutts
4/8/16

A M E N D M E N T

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

Gene
Gutknecht
Kawasaki

1 Page 6, line 21, through page 7, line 25:

2 Delete all material and insert:

3 3 "(2) oil and gas produced on and after January 1, 2017, but before
4 4 January 1, 2022, from leases or properties that include land north of 68 degrees
5 5 North latitude,

6 6 (A) by a producer that does not qualify under (B) of this
7 7 paragraph, may not be less than

8 8 (i) 10 percent of the gross value at the point of
9 9 production when the average price per barrel for Alaska North
10 10 Slope crude oil for sale on the United States West Coast during the
11 11 calendar year for which the tax is due is more than \$85;

12 12 (ii) nine percent of the gross value at the point of
13 13 production when the average price per barrel for Alaska North
14 14 Slope crude oil for sale on the United States West Coast during the
15 15 calendar year for which the tax is due is over \$80 but not over \$85;

16 16 (iii) eight percent of the gross value at the point of
17 17 production when the average price per barrel for Alaska North
18 18 Slope crude oil for sale on the United States West Coast during the
19 19 calendar year for which the tax is due is over \$75 but not over \$80;

20 20 (iv) seven percent of the gross value at the point of
21 21 production when the average price per barrel for Alaska North
22 22 Slope crude oil for sale on the United States West Coast during the
23 23 calendar year for which the tax is due is over \$70 but not over \$75;

FAILED
18

29-GH2609\F.2
Nauman
4/6/16

Y N
11 11 11
3 8

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVES KAWASAKI,

TO: CSHB 247(FIN), Draft Version "F"

GARA, AND GUTTENBERG

1 Page 6, line 23:

2 Delete "[A] four"

3 Insert "five [(A) FOUR]"

4

5 Page 6, lines 24 - 27:

6 Delete ", except that a credit authorized under this chapter may reduce the tax under this subsection to less than four percent, but not to less than two percent of the gross value at the point of production"

9

10 Page 6, line 30:

11 Delete "four"

12 Insert "five"

13

14 Page 6, line 30, through page 7, line 2:

15 Delete ", except that a credit authorized under this chapter may reduce the tax under this subsection to less than four percent, but not to less than two percent of the gross value at the point of production"

18

19 Page 34, line 18, following "APPLICABILITY.":

20 Insert "(a)"

21

22 Page 34, following line 19:

23 Insert a new subsection to read:

*conceptual
Amendment*

FAILED
18 'A' Gara
hard 9th floor

Y N
5 4

FAILED
Y N
111 | 111
3 | 8

19

29-GH2609\F.38
Shutts
4/7/16

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVE GUTTENBERG

TO: CSHB 247(FIN), Draft Version "F"

GARA KAWASAKI

- 1 Page 3, following line 4:
 - 2 Insert a new bill section to read:
 - 3 **** Sec. 6. AS 40.25.100(a)** is amended to read:
 - 4 (a) Information in the possession of the Department of Revenue that discloses the particulars of the business or affairs of a taxpayer or other person, including information under AS 38.05.020(b)(11) that is subject to a confidentiality agreement under AS 38.05.020(b)(12), is not a matter of public record, except as provided in **AS 43.05.230(i) - (m)** [AS 43.05.230(i) OR (k)] or for purposes of investigation and law enforcement. The information shall be kept confidential except when its production is required in an official investigation, administrative adjudication under AS 43.05.405 - 43.05.499, or court proceeding. These restrictions do not prohibit the publication of statistics presented in a manner that prevents the identification of particular reports and items, prohibit the publication of tax lists showing the names of taxpayers who are delinquent and relevant information that may assist in the collection of delinquent taxes, or prohibit the publication of records, proceedings, and decisions under AS 43.05.405 - 43.05.499."
 - 17
 - 18 Renumber the following bill sections accordingly.
 - 19
 - 20 Page 4, following line 1:
 - 21 Insert a new bill section to read:
 - 22 **** Sec. 8. AS 43.05.230** is amended by adding new subsections to read:
 - 23 (I) The following information for persons claiming a credit under AS 43.55 or

FAILED

20

29-GH2609\11
Nauman/Shutts
4/6/16

Y N
111 | 111
3 | 8

AMENDMENT

OFFERED IN THE HOUSE

BY REPRESENTATIVES KAWASAKI,

TO: CSHB 247(FIN), Draft Version "F"

GARA, AND GUTTENBERG

- 1 Page 1, line 1, following "tax;":
2 Insert "relating to confidential tax information in the possession of the
3 Department of Revenue;"
4
- 5 Page 4, following line 1:
6 Insert new bill sections to read:
7 **"* Sec. 7. AS 43.05.230(f) is amended to read:**
8 (f) A wilful violation of the provisions of this section or of a condition
9 imposed under AS 43.55.040(1)(B) is punishable by a fine of not more than \$5,000, or
10 by imprisonment for not more than two years, or by both. **The penalty under this**
11 **subsection may be in addition to, and not in place of, an applicable criminal**
12 **sanction under state or federal law.**
- 13 *** Sec. 8. AS 43.05.230 is amended by adding a new subsection to read:**
14 (1) The department may disclose confidential tax information, documents, or
15 other materials related to a credit for oil and gas investment, exploration, production,
16 delivery, storage, or use against a tax imposed under AS 43.20 or AS 43.55 to a
17 legislator, an agent of a legislator or a legislative committee, or a contractor of a
18 legislator or a legislative committee if
19 (1) the information is disclosed during an executive session of a
20 committee hearing or an executive session of a meeting of one house of the legislature
21 as a committee of the whole;
22 (2) only legislators, agents, and contractors complying with the
23 remainder of this subsection are in attendance at the committee meeting;

FAILED

21

29-GH2609\F.23
Shutts
4/7/16

~~Y N~~
~~III~~ ~~III~~
~~3~~ ~~III~~

8

Gava Butterbu
lawson

AMENDMENT

OFFERED IN THE HOUSE

TO: CSHB 247(FIN), Draft Version "F"

1 Page 19, following line 29:

2 Insert a new bill section to read:

3 **"* Sec. 21. AS 43.55.023 is amended by adding a new subsection to read:**

4 (q) Notwithstanding that a qualified capital expenditure and a well lease
5 expenditure may be a deductible lease expenditure for purposes of calculating the
6 production tax value of oil, gas, or oil and gas under AS 43.55.160(a), a producer or
7 explorer may not apply against the taxes due under this chapter a credit under this
8 section for an expenditure incurred in the Cook Inlet sedimentary basin in the same tax
9 year that a producer or explorer applies another credit under this section for an
10 expenditure incurred in the Cook Inlet sedimentary basin."

11

12 Renumber the following bill sections accordingly.

13

14 Page 34, line 18:

15 Delete "26, and 27"

16 Insert "27, and 28"

17

18 Page 34, lines 23 - 24:

19 Delete "sec. 43"

20 Insert "sec. 44"

21

22 Page 34, line 25:

23 Delete "28, 36, and 37"