

A M E N D M E N T

OFFERED IN THE HOUSE

BY REPRESENTATIVE SEATON

TO: CSHB 308(), Draft Version "P"

1 Page 2, following line 22:

2 Insert a new bill section to read:

3 **** Sec. 5.** AS 43.55.011(f) is repealed and reenacted to read:

4 (f) This subsection applies to a taxpayer that produces more than 100,000
5 BTU equivalent barrels of oil and gas a day north of 68 degrees North latitude.
6 Notwithstanding any contrary provision of law, a producer may not apply tax credits
7 to reduce the producer's total tax liability under (e) of this section for oil and gas
8 produced from all leases or properties within the unit or nonunitized reservoir below
9 10 percent of the total gross value at the point of production of that oil and gas. If the
10 amount calculated by multiplying the total tax rate determined under (e)(1) and (g) of
11 this section times the total production tax value of the oil and gas taxable under (e) of
12 this section produced from all of the producer's leases or properties is less than 10
13 percent of the total gross value at the point of production of that oil and gas, the tax
14 levied by (e) of this section for that oil and gas is equal to 10 percent of the total gross
15 value at the point of production of that oil and gas."
16

17 Renumber the following bill sections accordingly.

18
19 Page 4, lines 6 - 23:

20 Delete all material and insert:

21 "(B) for oil and gas produced from leases or properties subject
22 to AS 43.55.011(f), **1/12 of the amount due for the calendar year of the tax**
23 **amount due under AS 43.55.011(f)** [THE GREATEST OF

1 (i) ZERO;

2 (ii) ZERO PERCENT, ONE PERCENT, TWO
3 PERCENT, THREE PERCENT, OR FOUR PERCENT, AS
4 APPLICABLE, OF THE GROSS VALUE AT THE POINT OF
5 PRODUCTION OF THE OIL AND GAS PRODUCED FROM ALL
6 LEASES OR PROPERTIES DURING THE MONTH FOR WHICH
7 THE INSTALLMENT PAYMENT IS CALCULATED; OR

8 (iii) THE SUM OF 25 PERCENT AND THE TAX
9 RATE CALCULATED FOR THE MONTH UNDER AS 43.55.011(g)
10 MULTIPLIED BY THE REMAINDER OBTAINED BY
11 SUBTRACTING 1/12 OF THE PRODUCER'S ADJUSTED LEASE
12 EXPENDITURES FOR THE CALENDAR YEAR OF PRODUCTION
13 UNDER AS 43.55.165 AND 43.55.170 THAT ARE DEDUCTIBLE
14 FOR THOSE LEASES OR PROPERTIES UNDER AS 43.55.160
15 FROM THE GROSS VALUE AT THE POINT OF PRODUCTION
16 OF THE OIL AND GAS PRODUCED FROM THOSE LEASES OR
17 PROPERTIES DURING THE MONTH FOR WHICH THE
18 INSTALLMENT PAYMENT IS CALCULATED];"

19

20 Page 10, line 23:

21 Delete "sec. 8"

22 Insert "sec. 9"

23

24 Page 10, line 31:

25 Delete "sec. 8"

26 Insert "sec. 9"

27 Delete "sec. 9"

28 Insert "sec. 10"

29

30 Page 11, line 1:

31 Delete "sec. 10"

1 Insert "sec. 11"

2

3 Page 11, line 5:

4 Delete "sec. 8"

5 Insert "sec. 9"

6

7 Page 11, line 7:

8 Delete "sec. 9"

9 Insert "sec. 10"

10

11 Page 11, line 8:

12 Delete "sec. 10"

13 Insert "sec. 11"

14 Delete "sec. 13"

15 Insert "sec. 14"

16

17 Page 11, line 11:

18 Delete "secs. 1, 2, 4, and 6 - 19"

19 Insert "secs. 1, 2, 4, and 7 - 20"

20

21 Page 11, line 13:

22 Delete "AS 43.55.011(g)"

23 Insert "AS 43.55.011(f), as repealed and reenacted by sec. 5 of this Act, and
24 AS 43.55.011(g)"

25 Delete "sec. 5"

26 Insert "sec. 6"

27 Delete "takes"

28 Insert "take"

29

30 Page 11, line 14:

31 Delete "secs. 1, 2, 4, and 6 - 19"

1 Insert "secs. 1, 2, 4, and 7 - 20"

2

3 Page 11, line 15:

4 Delete "secs. 20 and 21"

5 Insert "secs. 21 and 22"