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AMENDMENT #28

OFFERED IN THE HOUSE  
TO: HCS CSSB 305(FIN) Version B

BY REPRESENTATIVE Crawford,  
Croft

Page 9, lines 7-10:

Delete all material and insert:

“(c) A credit or portion of a credit under this section may not be used to reduce a person’s tax liability under AS 43.55.011(e) for any month

(1) below 6 percent of the gross value at the point of production for oil and gas produced in the area of Alaska lying north of 68 degrees North latitude; and

(2) below zero for all other oil and gas produced in Alaska.”

Insert a new subsection to read:

“(d) Any unused credit or portion of a credit not used under this subsection may be applied in a later month.”

Renumber following sections accordingly.

Page 19, line 28-29:

Delete: “However, the production tax value calculated under this subsection may not be less than zero.”

Page 20, after line 3:

Insert a new subsection to read:

“(b) The production tax value calculated under this section may not be

(1) less than 6 percent of the gross value at the point of production for oil and gas produced in the area of Alaska lying north of 68 degrees North latitude; and

(2) less than zero for all other oil and gas produced in Alaska.”

Renumber following sections accordingly.

Page 20, lines 5-13:

Delete all material and insert:

“(1) any adjusted lease expenditures that would otherwise be deductible in a month but whose deduction would cause the production tax value calculated under (a) of this section of the taxable oil and gas produced during the month to be less than (A) six percent of the gross value at the point of production for oil and gas produced in the area of Alaska lying north of 68 degrees North latitude; and (B) zero for all other oil and gas produced in Alaska may be added to the producer’s adjusted lease expenditures for one or more other months in the same calendar year;

(2) the total of any adjusted lease expenditures that are not deductible in any month during a calendar year because their deduction would cause the production tax value calculated under (a) of this section of the taxable oil and gas produced during one or more months to be less than (A) six percent of the gross value at the point of production for oil and gas produced in the area of Alaska lying north of 68 degrees North latitude; and (B) zero for all other oil and gas produced in Alaska may be used to establish a carried-forward annual loss under AS 43.55.024(b);”

Renumber following section accordingly.

Page 26, line 3:

After “under (c)” add “and (d)”

Page 26, line 30 through page 27, line 4:

Delete all material and insert:

“(d) A tax credit authorized by this section may not be applied to reduce a producer’s tax liability under AS 43.55.011(e) for any month

(A) below 6 percent of the gross value at the point of production for oil and gas produced in the area of Alaska lying north of 68 degrees North latitude; and

(B) below zero for all other oil and gas produced in Alaska.

(e) An unused portion of a tax credit that could otherwise be applied for a month but whose application would cause the producer's tax liability under AS 43.55.011(e) for the month to be less than (A) six percent of the gross value at the point of production for oil and gas produced in the area of Alaska lying north of 68 degrees North latitude; and (B) zero for all other oil and gas produced in Alaska may be applied for one or more other months in the same calendar year to the extent otherwise allowed under this section."

Renumber following sections accordingly.

This amendment ensures that the state will not receive less than 6 percent of the gross value of oil or gas produced on the North Slope.