

AMENDMENT #11

Sen. French

OFFERED IN THE SENATE

TO: CSSB 305(FIN)

1 Page 3, line 25, through page 4, line 2:

2 Delete all material and insert:

3 "(e) There is levied on the producer of oil or gas a tax for all oil and gas  
4 produced each month from each lease or property in the state, less any oil and gas the  
5 ownership or right to which is exempt from taxation or constitutes a lessor's royalty  
6 interest under an oil and gas lease. The tax

7 (1) for oil that is produced in the Cook Inlet sedimentary basin, as that  
8 term is defined by regulations adopted to implement AS 38.05.180(f)(4), is equal to  
9 five percent of the production tax value of the taxable oil as calculated under  
10 AS 43.55.160;

11 (2) for oil, except as to oil described in (1) of this subsection, is equal  
12 to the amount that is the greater of

13 (A) 22.5 percent of the production tax value of the taxable oil  
14 and gas as calculated under AS 43.55.160; or

15 (B) \$1 per barrel of oil produced during any month; tax is due  
16 and payable under this subparagraph only if

17 (i) the producer's oil production from all leases or  
18 properties in the state exceeds 5,000 barrels a day;

19 (ii) the producer does not owe tax under (A) of this  
20 paragraph on oil produced from the leases or properties in the state  
21 subject to the tax set out in that subparagraph; and

22 (iii) the prevailing value for oil produced in the Alaska  
23 North Slope area during the month exceeds \$20 per barrel;

1 (3) for gas is equal to 22.5 percent of the production tax value of the  
2 taxable gas as calculated under AS 43.55.160."

3

4 Page 25, line 16, following "AS 43.55.011(e)(1)":

5 Insert "or (e)(2)(B)"

6

7 Page 25, line 19:

8 Delete "AS 43.55.011(e)(2)"

9 Insert "AS 43.55.011(e)(2)(A)"

10

11 Page 25, line 23, following "AS 43.55.011(e)(1)":

12 Insert "or (e)(2)(B)"

13

14 Page 25, line 27, following "AS 43.55.011(e)(1)":

15 Insert "or (e)(2)(B)"

16

17 Page 25, line 28:

18 Delete "AS 43.55.011(e)(2)"

19 Insert "AS 43.55.011(e)(2)(A)"

20

21 Page 26, line 1:

22 Delete "AS 43.55.011(e)(2)"

23 Insert "AS 43.55.011(e)(2)(A)"