

ALASKA STATE LEGISLATURE
HOUSE SPECIAL COMMITTEE ON WAYS AND MEANS

February 1, 2006
9:07 a.m.

MEMBERS PRESENT

Representative Bruce Weyhrauch, Chair
Representative Ralph Samuels
Representative Paul Seaton
Representative Peggy Wilson

MEMBERS ABSENT

Representative Norman Rokeberg
Representative Max Gruenberg
Representative Carl Moses

COMMITTEE CALENDAR

HOUSE BILL NO. 63

"An Act relating to the oil and gas properties production (severance) tax as it applies to oil; establishing a minimum rate of tax for certain fields of five percent; providing for an adjustment to increase the tax collected when oil prices exceed \$20 per barrel and to reduce the tax collected when oil prices fall below \$16 per barrel; and providing for relief from the tax when the price per barrel is low or when the taxpayer demonstrates that a reduction in the tax is necessary to establish or reestablish production from an oil field or pool that would not otherwise be economically feasible."

- HEARD AND HELD

HOUSE BILL NO. 223

"An Act levying a tax on certain known resources of natural gas, conditionally repealing the levy of that tax, and authorizing a credit for payments of that tax against amounts due under the oil and gas properties production (severance) tax if requirements relating to the sale and delivery of the natural gas are met; and providing for an effective date."

- HEARD AND HELD

HOUSE BILL NO. 374

"An Act relating to establishment of a retirement benefit liability account in the Department of Revenue and redirecting

deposit of annual dividends of the Alaska Housing Finance Corporation to that account; and providing for an effective date."

- BILL HEARING CANCELED

HOUSE BILL NO. 375

"An Act relating to the retirement benefit liability account and appropriations from that account; relating to deposits of certain income earned on money received as a result of State v. Amerada Hess, et al., 1JU-77-847 Civ. (Superior Court, First Judicial District); and providing for an effective date."

- BILL HEARING CANCELED

PREVIOUS COMMITTEE ACTION

BILL: HB 63

SHORT TITLE: OIL SEVERANCE TAX

SPONSOR(S): REPRESENTATIVE(S) GARA

01/12/05	(H)	READ THE FIRST TIME - REFERRALS
01/12/05	(H)	W&M, O&G, RES, FIN
03/18/05	(H)	W&M AT 8:30 AM CAPITOL 106
03/18/05	(H)	Heard & Held
03/18/05	(H)	MINUTE(W&M)
01/13/06	(H)	W&M AT 9:00 AM CAPITOL 106
01/13/06	(H)	Heard & Held
01/13/06	(H)	MINUTE(W&M)
02/01/06	(H)	W&M AT 9:00 AM CAPITOL 106

BILL: HB 223

SHORT TITLE: NATURAL GAS PIPELINE INCENTIVE/ GAS TAX

SPONSOR(S): REPRESENTATIVE(S) CROFT

03/17/05	(H)	READ THE FIRST TIME - REFERRALS
03/17/05	(H)	W&M, O&G, RES
04/25/05	(H)	W&M AT 8:30 AM CAPITOL 106
04/25/05	(H)	Heard & Held
04/25/05	(H)	MINUTE(W&M)
01/11/06	(H)	W&M AT 9:00 AM CAPITOL 106
01/11/06	(H)	Heard & Held
01/11/06	(H)	MINUTE(W&M)
01/18/06	(H)	W&M AT 9:00 AM CAPITOL 106
01/18/06	(H)	Heard & Held
01/18/06	(H)	MINUTE(W&M)
01/25/06	(H)	W&M AT 9:00 AM CAPITOL 106

01/25/06 (H) Heard & Held
01/25/06 (H) MINUTE(W&M)
02/01/06 (H) W&M AT 9:00 AM CAPITOL 106

WITNESS REGISTER

No witnesses to record

ACTION NARRATIVE

CHAIR BRUCE WEYHRAUCH called the House Special Committee on Ways and Means meeting to order at [9:07:07 AM](#). Representatives Weyhrauch, Samuels, and Seaton were present at the call to order. Representative Wilson arrived as the meeting was in progress.

HB 63-OIL SEVERANCE TAX

[9:07:16 AM](#)

CHAIR WEYHRAUCH announced that the first order of business would be HOUSE BILL NO. 63, "An Act relating to the oil and gas properties production (severance) tax as it applies to oil; establishing a minimum rate of tax for certain fields of five percent; providing for an adjustment to increase the tax collected when oil prices exceed \$20 per barrel and to reduce the tax collected when oil prices fall below \$16 per barrel; and providing for relief from the tax when the price per barrel is low or when the taxpayer demonstrates that a reduction in the tax is necessary to establish or reestablish production from an oil field or pool that would not otherwise be economically feasible."

[9:08:17 AM](#)

CHAIR WEYHRAUCH, having determined there was no further testimony or questions on HB 63, announced that the bill would be addressed at the next meeting before closing public testimony.

[HB 63 was held over.]

HB 223-NATURAL GAS PIPELINE INCENTIVE/ GAS TAX

[9:11:07 AM](#)

CHAIR WEYHRAUCH announced that the final order of business would be HOUSE BILL NO. 223, "An Act levying a tax on certain known resources of natural gas, conditionally repealing the levy of that tax, and authorizing a credit for payments of that tax against amounts due under the oil and gas properties production (severance) tax if requirements relating to the sale and delivery of the natural gas are met; and providing for an effective date."

CHAIR WEYHRAUCH, having determined there was no further testimony or questions on HB 223, announced that the bill would be brought up at the next meeting before closing public testimony.

[HB 223 was held over.]

[9:11:45 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Special Committee on Ways and Means meeting was adjourned at 9:11 a.m.