

AMENDMENT # 10

BY SEN. STEDMAN

OFFERED IN THE SENATE

TO: SCS CSHB 2001(FIN)

1 Page 2, line 3:

2 Delete "sec. 68"

3 Insert "sec. 69"

4

5 Page 11, lines 14 - 22:

6 Delete all material and insert:

7 **** Sec. 15.** AS 43.55.011(e) is repealed and reenacted to read:

8 (e) There is levied on the producer of oil or gas a tax for all oil and gas
9 produced each calendar year from each lease or property in the state, less any oil and
10 gas the ownership or right to which is exempt from taxation or constitutes a
11 landowner's royalty interest. Except as otherwise provided under (f), (j), and (k) of this
12 section, the tax is equal to the sum of

13 (1) the annual production tax value of the taxable oil and gas as
14 calculated under AS 43.55.160(a)(1) multiplied by 25 percent; and

15 (2) the sum, over all months of the calendar year, of the tax amounts
16 determined under (g) of this section."
17

18 Page 12, lines 14 - 26:

19 Delete all material and insert:

20 **** Sec. 17.** AS 43.55.011(g) is repealed and reenacted to read:

21 "(g) For each month of the calendar year for which the producer's average
22 monthly production tax value under AS 43.55.160(a)(2) per BTU equivalent barrel of
23 the taxable oil and gas is more than \$30, the amount of tax for purposes of (e) of this

1 section is determined by multiplying the monthly production tax value of the taxable
2 oil and gas produced during the month by the tax rate calculated as follows:

3 (1) if the producer's average monthly production tax value per BTU
4 equivalent barrel of the taxable oil and gas for the month is not more than \$90, the tax
5 rate is 0.4 percent multiplied by the number that represents the difference between that
6 average monthly production tax value per BTU equivalent barrel and \$30; or

7 (2) if the producer's average monthly production tax value per BTU
8 equivalent barrel of the taxable oil and gas for the month is more than \$90, the tax rate
9 is the sum of 24 percent and the product of 0.1 percent multiplied by the number that
10 represents the difference between the average monthly production tax value per BTU
11 equivalent barrel and \$90, except that the sum determined under this paragraph may
12 not exceed 50 percent."
13

14 Page 15, line 4:

15 Delete "the total tax rate for the month determined in"

16 Insert "the sum of 25 percent and the tax rate calculated for the month under"
17

18 Page 15, line 19:

19 Delete "the total tax rate for the month determined in"

20 Insert "the sum of 25 percent and the tax rate calculated for the month under"
21

22 Page 15, line 30:

23 Delete "the total tax rate for the month determined in"

24 Insert "the sum of 25 percent and the tax rate calculated for the month under"
25

26 Page 39, following line 6:

27 Insert a new bill section to read:

28 **"* Sec. 52.** AS 43.55.160(c) is amended to read:

29 (c) Notwithstanding any contrary provision of AS 43.55.150, for purposes of
30 calculating a monthly production tax value under (a)(2) of this section, the gross value
31 at the point of production of the oil and gas [TAXABLE UNDER AS 43.55.011(g)] is

1 calculated under regulations adopted by the department that provide for using an
2 appropriate monthly share of the producer's costs of transportation for the calendar
3 year."
4

5 Renumber the following bill sections accordingly.
6

7 Page 39, line 10:

8 Delete "a [AN ANNUAL]"

9 Insert "an annual"
10

11 Page 47, line 23:

12 Delete "43.55.160(c),"

13

14 Page 47, line 29:

15 Delete "sec. 55"

16 Insert "sec. 56"
17

18 Page 47, line 30:

19 Delete "49 - 60"

20 Insert "49 - 61"
21

22 Page 49, line 15:

23 Delete "sec. 55"

24 Insert "sec. 56"
25

26 Page 49, line 16:

27 Delete "sec. 68"

28 Insert "sec. 69"
29

30 Page 49, line 17:

31 Delete "49 - 54, 56 - 60"

- 1 Insert "49 - 55, 57 - 61"
- 2 Delete "sec. 55"
- 3 Insert "sec. 56"
- 4
- 5 Page 49, line 18:
- 6 Delete "sec. 68"
- 7 Insert "sec. 69"
- 8
- 9 Page 49, line 27:
- 10 Delete "49 - 60"
- 11 Insert "49 - 61"
- 12
- 13 Page 49, line 29:
- 14 Delete "sec. 55"
- 15 Insert "sec. 56"
- 16
- 17 Page 50, line 17:
- 18 Delete "sec. 55"
- 19 Insert "sec. 56"
- 20
- 21 Page 50, line 19:
- 22 Delete "49 - 60"
- 23 Insert "49 - 61"
- 24
- 25 Page 50, line 22:
- 26 Delete "sec. 69"
- 27 Insert "sec. 70"