

FISCAL NOTE

STATE OF ALASKA
2010 LEGISLATIVE SESSION

Fiscal Note Number: 1
 Bill Version: CSSB 203(RES)
 (S) Publish Date: 3/2/10

Identifier (file name): CSSB 203-DNR-O&G-02-11-10 Dept. Affected: Natural Resources
 Title: Cook Inlet Gas Storage Facility Tax Credit RDU: Resource Development
 Component: Oil and Gas Development
 Sponsor: Sen. Wielechowski, French, Ellis
 Requester: Senate Finance Component Number: 439

Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	Appropriation Required	Information						
		FY 2011	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
OPERATING EXPENDITURES								
Personal Services								
Travel								
Contractual								
Supplies								
Equipment								
Land & Structures								
Grants & Claims								
Miscellaneous								
TOTAL OPERATING		0.0	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL EXPENDITURES							
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CHANGE IN REVENUES ()				Indeterminate			
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts							
1003 GF Match							
1004 GF							
1005 GF/Program Receipts							
1037 GF/Mental Health							
Other Interagency Receipts							
TOTAL		0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2010) cost: _____

POSITIONS

Full-time							
Part-time							
Temporary							

ANALYSIS: (Attach a separate page if necessary)

SB 203 amends AS 43.20 and adds a new section called the Cook Inlet gas storage facility tax credit. The bill would provide 20% of qualified capital investment of a Cook Inlet gas storage facility to receive a tax credit that does not exceed 50% within a tax credit year. This tax credit would: (1) be in addition to any other available credits authorized by this Chapter; (2) may be conveyed, assigned or transferred to another taxpayer or business entity; (3) appears to provide tax credit for any fees associated with the acquisition and maintenance of a gas storage lease or agreement; and (4) and includes the cost and royalties associated with "cushion gas".

There is no anticipated fiscal impact to the Division of Oil and Gas. The application of tax credits will have an indeterminate impact on the revenues acquired by the Division.

Prepared by: Kevin Banks, Director
 Division: Oil and Gas
 Approved by: Tom Irwin, Commissioner
Natural Resources

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