

AMENDMENT #1

OFFERED IN THE HOUSE
TO: CSHB 100(FIN)

BY REPRESENTATIVE GARA

1 Page 1, line 5, following "products;": *(title amendment)*
2 Insert "providing an optional exemption from municipal property taxation for
3 certain in-state processing facilities that manufacture urea, ammonia, or gas-to-liquid
4 products;"

5
6 Page 1, following line 6:

7 Insert a new bill section to read:

8 **** Section 1.** AS 29.45.050 is amended by adding a new subsection to read:

9 (x) A municipality may by ordinance approved by the voters exempt or
10 partially exempt from taxation an in-state processing facility whose primary function
11 is the manufacturing and sale of urea, ammonia, or gas-to-liquid products to third
12 parties in arm's length transactions. An exemption under this subsection may be of
13 limited or unlimited duration."

14
15 Page 1, line 7:

16 Delete "Section 1"

17 Insert "Sec. 2"

18
19 Renumber the following bill sections accordingly.

20
21 Page 2, line 25, following "manufacturing":

22 Insert ", from natural gas from a state lease,"

1 Page 2, lines 28 - 30:

2 Delete "the percentage of the amount of royalty paid under AS 38.05.135 on natural
3 gas from a state lease that is delivered in the taxable year of the taxpayer for use at the in-state
4 processing facility equal to"

5 Insert "the lesser of 50 percent of the tax due from the taxpayer in the taxable year or
6 \$2,000,000. A credit under this section may be apportioned based on"

7

8 Page 3, lines 1 - 2:

9 Delete "A tax credit or portion of a tax credit under this section may not be used to
10 reduce the taxpayer's tax liability under this chapter below zero."

11

12 Page 3, line 16:

13 Delete "sec. 2"

14 Insert "sec. 3"

15

16 Page 3, line 21:

17 Delete "Sections 1, 2, and 4"

18 Insert "Sections 1 - 3 and 5"

19

20 Page 3, line 22:

21 Delete "Section 3"

22 Insert "Section 4"