

AMENDMENT # 2

BY SENATOR  
WIELECHOWSKI

OFFERED IN THE SENATE

TO: SCS CSHB 100(FIN)

1 Page 1, line 1, following "Act":

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 3, line 4, following "manufacturing":

22 Insert " from natural gas from a state lease"

23

1 Page 3, lines 7 - 9:

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 11 - 12:

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 4, line 6:

13 Delete "sec. 2"

14 Insert "sec. 3"

15

16 Page 4, line 11:

17 Delete "Sections 1, 2, and 4"

18 Insert "Sections 1 - 3 and 5"

19

20 Page 4, line 12:

21 Delete "Section 3"

22 Insert "Section 4"