

Gicra ✓

29-GH2609\L.15
Nauman/Shutts
4/9/16

AMENDMENT #2

Kanayama
Kreiss-Tomkins
Dreuw
Tuck
KITO
Wool
TARR

OFFERED IN THE HOUSE
TO: CSHB 247(FIN)

1 Page 5, line 30, through page 7, line 3:

2 Delete all material and insert:

3 "(2) oil and gas produced on and after January 1, 2017, but before
4 January 1, 2022, from leases or properties that include land north of 68 degrees
5 North latitude,

6 (A) by a producer that does not qualify under (B) of this
7 paragraph, may not be less than

8 (i) 10 percent of the gross value at the point of
9 production when the average price per barrel for Alaska North
10 Slope crude oil for sale on the United States West Coast during the
11 calendar year for which the tax is due is more than \$85;

12 (ii) nine percent of the gross value at the point of
13 production when the average price per barrel for Alaska North
14 Slope crude oil for sale on the United States West Coast during the
15 calendar year for which the tax is due is over \$80 but not over \$85;

16 (iii) eight percent of the gross value at the point of
17 production when the average price per barrel for Alaska North
18 Slope crude oil for sale on the United States West Coast during the
19 calendar year for which the tax is due is over \$75 but not over \$80;

20 (iv) seven percent of the gross value at the point of
21 production when the average price per barrel for Alaska North
22 Slope crude oil for sale on the United States West Coast during the
23 calendar year for which the tax is due is over \$70 but not over \$75;

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(v) six percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is over \$65 but not over \$70;

(vi) five percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is over \$60 but not over \$65;

or

(vii) four percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is \$60 or less; or

(B) by a producer that produces less than an average of 30,000 barrels of oil a day, in total, from leases or properties located north of 68 degrees North latitude and that produces oil or gas that qualifies for a reduction in the gross value of the point of production under AS 43.55.160(f) may not be less than

(i) 10 percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is more than \$100;

(ii) nine percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is over \$95 but not over \$100;

(iii) eight percent of the gross value at the point of production when the average price per barrel for Alaska North Slope crude oil for sale on the United States West Coast during the calendar year for which the tax is due is over \$90 but not over \$95;

1 (iv) seven percent of the gross value at the point of
 2 production when the average price per barrel for Alaska North
 3 Slope crude oil for sale on the United States West Coast during the
 4 calendar year for which the tax is due is over \$85 but not over \$90;

5 (v) six percent of the gross value at the point of
 6 production when the average price per barrel for Alaska North
 7 Slope crude oil for sale on the United States West Coast during the
 8 calendar year for which the tax is due is over \$80 but not over \$85;

9 (vi) five percent of the gross value at the point of
 10 production when the average price per barrel for Alaska North
 11 Slope crude oil for sale on the United States West Coast during the
 12 calendar year for which the tax is due is over \$75 but not over \$80;

13 or

14 (vii) four percent of the gross value at the point of
 15 production when the average price per barrel for Alaska North
 16 Slope crude oil for sale on the United States West Coast during the
 17 calendar year for which the tax is due is \$75 or less; and

18 (3) oil produced on and after January 1, 2022, from leases or properties
 19 that include land north of 68 degrees North latitude,

20 (A) by a producer that does not qualify under (B) of this
 21 paragraph, may not be less than

22 (i) 10 [(A) FOUR] percent of the gross value at the
 23 point of production when the average price per barrel for Alaska North
 24 Slope crude oil for sale on the United States West Coast during the
 25 calendar year for which the tax is due is more than \$85 [\$25];

26 (ii) nine [(B) THREE] percent of the gross value at the
 27 point of production when the average price per barrel for Alaska North
 28 Slope crude oil for sale on the United States West Coast during the
 29 calendar year for which the tax is due is over \$80 [\$20] but not over
 30 \$85 [\$25];

31 (iii) eight [(C) TWO] percent of the gross value at the

1 point of production when the average price per barrel for Alaska North
 2 Slope crude oil for sale on the United States West Coast during the
 3 calendar year for which the tax is due is over \$75 [\$17.50] but not over
 4 \$80 [\$20];

5 (iv) seven [(D) ONE] percent of the gross value at the
 6 point of production when the average price per barrel for Alaska North
 7 Slope crude oil for sale on the United States West Coast during the
 8 calendar year for which the tax is due is over \$70 [\$15] but not over
 9 \$75;

10 (v) six percent of the gross value at the point of
 11 production when the average price per barrel for Alaska North
 12 Slope crude oil for sale on the United States West Coast during the
 13 calendar year for which the tax is due is over \$65 but not over \$70;

14 (vi) five percent of the gross value at the point of
 15 production when the average price per barrel for Alaska North
 16 Slope crude oil for sale on the United States West Coast during the
 17 calendar year for which the tax is due is over \$60 but not over \$65
 18 [\$17.50]; or

19 (vii) four [(E) ZERO] percent of the gross value at the
 20 point of production when the average price per barrel for Alaska North
 21 Slope crude oil for sale on the United States West Coast during the
 22 calendar year for which the tax is due is \$60 [\$15] or less; or

23 (B) by a producer that produces less than an average of
 24 30,000 barrels of oil a day, in total, from leases or properties located north
 25 of 68 degrees North latitude and that produces oil that qualifies for a
 26 reduction in the gross value of the point of production under
 27 AS 43.55.160(f) may not be less than

28 (i) 10 percent of the gross value at the point of
 29 production when the average price per barrel for Alaska North
 30 Slope crude oil for sale on the United States West Coast during the
 31 calendar year for which the tax is due is more than \$100;

1 (ii) nine percent of the gross value at the point of
2 production when the average price per barrel for Alaska North
3 Slope crude oil for sale on the United States West Coast during the
4 calendar year for which the tax is due is over \$95 but not over
5 \$100;

6 (iii) eight percent of the gross value at the point of
7 production when the average price per barrel for Alaska North
8 Slope crude oil for sale on the United States West Coast during the
9 calendar year for which the tax is due is over \$90 but not over \$95;

10 (iv) seven percent of the gross value at the point of
11 production when the average price per barrel for Alaska North
12 Slope crude oil for sale on the United States West Coast during the
13 calendar year for which the tax is due is over \$85 but not over \$90;

14 (v) six percent of the gross value at the point of
15 production when the average price per barrel for Alaska North
16 Slope crude oil for sale on the United States West Coast during the
17 calendar year for which the tax is due is over \$80 but not over \$85;

18 (vi) five percent of the gross value at the point of
19 production when the average price per barrel for Alaska North
20 Slope crude oil for sale on the United States West Coast during the
21 calendar year for which the tax is due is over \$75 but not over \$80;

22 or

23 (vii) four percent of the gross value at the point of
24 production when the average price per barrel for Alaska North
25 Slope crude oil for sale on the United States West Coast during the
26 calendar year for which the tax is due is \$75 or less."

27
28 Page 11, lines 14 - 15:

29 Delete "zero percent, one percent, two percent, three percent, or four percent, as
30 applicable,"

31 Insert "the [ZERO PERCENT, ONE PERCENT, TWO PERCENT, THREE

1 PERCENT, OR FOUR] percent [, AS] applicable under AS 43.55.011(f) [,]"

2

3 Page 13, lines 6 - 7:

4 Delete "zero percent, one percent, two percent, three percent, or four percent, as
5 applicable,"

6 Insert "the [ZERO PERCENT, ONE PERCENT, TWO PERCENT, THREE
7 PERCENT, OR FOUR] percent [, AS] applicable under AS 43.55.011(f) [,]"