

AMENDMENT #10

Josephson

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OFFERED IN THE HOUSE
TO: CSHB 247(FIN)

1 Page 1, line 3, following "tax;": *(title amendment)*

2 Insert "relating to a minimum production tax on oil;"

3

4 Page 5, following line 4:

5 Insert a new bill section to read:

6 **** Sec. 10.** AS 43.55.011(e) is amended to read:

7 (e) There is levied on the producer of oil or gas a tax for all oil and gas
8 produced each calendar year from each lease or property in the state, less any oil and
9 gas the ownership or right to which is exempt from taxation or constitutes a
10 landowner's royalty interest or for which a tax is levied by AS 43.55.014. Except as
11 otherwise provided under (f), (j), (k), and (o) - (q) [(o), AND (p)] of this section, for
12 oil and gas produced

13 (1) before January 1, 2014, the tax is equal to the sum of

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

16 (B) the sum, over all months of the calendar year, of the tax
17 amounts determined under (g) of this section;

18 (2) on and after January 1, 2014, and before January 1, 2022, the tax is
19 equal to the annual production tax value of the taxable oil and gas as calculated under
20 AS 43.55.160(a)(1) multiplied by 35 percent;

21 (3) on and after January 1, 2022, the tax for

22 (A) oil is equal to the annual production tax value of the
23 taxable oil as calculated under AS 43.55.160(h) multiplied by 35 percent;

1 (B) gas is equal to 13 percent of the gross value at the point of
2 production of the taxable gas; if the gross value at the point of production of
3 gas produced from a lease or property is less than zero, that gross value at the
4 point of production is considered zero for purposes of this subparagraph."
5

6 Renumber the following bill sections accordingly.
7

8 Page 6, lines 2 - 5:

9 Delete "except that a credit authorized under this chapter may reduce the tax
10 under this subsection to less than four percent, but not to less than two percent of the
11 gross value at the point of production"
12

13 Page 6, lines 8 - 11:

14 Delete "except that a credit authorized under this chapter may reduce the tax
15 under this subsection to less than four percent, but not to less than two percent of the
16 gross value at the point of production"
17

18 Page 7, following line 20:

19 Insert a new bill section to read:

20 **"* Sec. 13.** AS 43.55.011 is amended by adding a new subsection to read:

21 (q) The total amount of tax credits that may be applied against the tax levied
22 by (f) of this section for a calendar year may not exceed the sum of the amount of the
23 tax credits or fractions of tax credits that are allowed under AS 43.55.020(a) to be
24 subtracted in calculating the installment payments of estimated tax for each month in
25 the calendar year."
26

27 Renumber the following bill sections accordingly.
28

29 Page 7, line 24, following "**AS 43.55.011(f)**":

30 Insert "**or (q)**"
31

1 Page 15, line 9, following "AS 43.55.011(f)":

2 Insert "or (q)"

3

4 Page 17, line 2, following "AS 43.55.011(f)":

5 Insert "or (q)"

6

7 Page 19, line 9, following "AS 43.55.011(f)":

8 Insert "or (q)"

9

10 Page 19, line 13, following "AS 43.55.011(f)":

11 Insert "or (q)"

12

13 Page 19, line 20, following "AS 43.55.011(f)":

14 Insert "or (q)"

15

16 Page 22, line 8, following "AS 43.55.011(f)":

17 Insert "or (q)"

18

19 Page 35, line 10, following "APPLICABILITY.":

20 Insert "(a)"

21

22 Page 35, line 10:

23 Delete "26, and 27"

24 Insert "28, and 29"

25

26 Page 35, following line 11:

27 Insert a new subsection to read:

28 "(b) The limitations on the use of tax credits in AS 43.55.011(q), added by sec. 13 of
29 this Act, AS 43.55.019(e), as amended by sec. 14 of this Act, AS 43.55.020(a), as amended by
30 sec. 15 of this Act, AS 43.55.023(c), as amended by sec. 18 of this Act, AS 43.55.024(f), as
31 amended by sec. 22 of this Act, AS 43.55.024(g), as amended by sec. 23 of this Act, and

1 AS 43.55.025(q), added by sec. 27 of this Act, apply to credits applied to reduce a tax liability
2 for a tax year starting on or after the effective date of secs. 13, 14, 15, 18, 22, 23, and 27 of
3 this Act."

4

5 Page 35, lines 15 - 16:

6 Delete "sec. 42"

7 Insert "sec. 44"

8

9 Page 35, line 17:

10 Delete "secs. 17, 18, 28, 35, and 36"

11 Insert "secs. 19, 20, 30, 37, and 38"

12

13 Page 35, line 18:

14 Delete "sec. 42"

15 Insert "sec. 44"

16

17 Page 35, line 21:

18 Delete "sec. 42"

19 Insert "sec. 44"

20

21 Page 35, line 23:

22 Delete "sec. 42"

23 Insert "sec. 44"

24

25 Page 35, line 26:

26 Delete "sec. 42"

27 Insert "sec. 44"

28

29 Page 35, line 29:

30 Delete "sec. 42"

31 Insert "sec. 44"

1

2 Page 35, line 31:

3 Delete "sec. 42"

4 Insert "sec. 44"

5

6 Page 36, line 4:

7 Delete "sec. 33"

8 Insert "sec. 35"

9

10 Page 36, line 5:

11 Delete "sec. 42"

12 Insert "sec. 44"

13

14 Page 36, line 7:

15 Delete "sec. 42"

16 Insert "sec. 44"

17

18 Page 37, line 2:

19 Delete "Sections 24, 43, and 47"

20 Insert "Sections 26, 45, and 49"

21

22 Page 37, line 4:

23 Delete "Sections 17, 18, 28 - 30, 33 - 37, 39, 42, 45, and 46"

24 Insert "Sections 19, 20, 30 - 32, 35 - 39, 41, 44, 47, and 48"

25

26 Page 37, line 6:

27 Delete "secs. 49 and 50"

28 Insert "secs. 51 and 52"