

AMENDMENT #13 adopted

OFFERED IN THE HOUSE
TO: CSHB 247(FIN)

BY REPRESENTATIVE SEATON

1 Page 15, following line 9:

2 Insert a new bill section to read:

3 **** Sec. 14.** AS 43.55.023(a) is amended to read:

4 (a) A producer or explorer may take a tax credit for a qualified capital
5 expenditure as follows:

6 (1) notwithstanding that a qualified capital expenditure may be a
7 deductible lease expenditure for purposes of calculating the production tax value of oil
8 and gas under AS 43.55.160(a), unless a credit for that expenditure is taken under
9 AS 38.05.180(i), AS 41.09.010, AS 43.20.043, or AS 43.55.025, a producer or
10 explorer that incurs a qualified capital expenditure

11 **(A) south of 68 degrees North latitude and outside the Cook**
12 **Inlet sedimentary basin** may also elect to apply a tax credit against a tax
13 levied by AS 43.55.011(e) in the amount of 20 percent of that expenditure;

14 **(B) in the Cook Inlet sedimentary basin before July 1, 2016,**
15 **may also elect to apply a tax credit against a tax levied by AS 43.55.011(e)**
16 **in the amount of 20 percent of that expenditure;**

17 (2) a producer or explorer may take a credit for a qualified capital
18 expenditure incurred in connection with geological or geophysical exploration or in
19 connection with an exploration well only if the producer or explorer

20 (A) agrees, in writing, to the applicable provisions of
21 AS 43.55.025(f)(2); and

22 (B) submits to the Department of Natural Resources all data
23 that would be required to be submitted under AS 43.55.025(f)(2);

1 (3) a credit for a qualified capital expenditure incurred to explore for,
2 develop, or produce oil or gas deposits located north of 68 degrees North latitude may
3 be taken only if the expenditure is incurred before January 1, 2014."
4

5 Renumber the following bill sections accordingly.

6
7 Page 15, line 10, following "AS 43.55.023(a)":

8 Insert ", as amended by sec. 14 of this Act,"
9

10 Page 15, lines 17 - 19:

11 Delete "may also elect to apply a tax credit against a tax levied by AS 43.55.011(e) in
12 the amount of 10 [20] percent of that expenditure"

13 Insert "(A) south of 68 degrees North latitude and outside the Cook Inlet sedimentary
14 basin may also elect to apply a tax credit against a tax levied by AS 43.55.011(e) in the
15 amount of 10 [20] percent of that expenditure;

16 (B) in the Cook Inlet sedimentary basin before July 1, 2016,
17 may also elect to apply a tax credit against a tax levied by AS 43.55.011(e) in
18 the amount of 20 percent of that expenditure;"
19

20 Page 16, line 17, following "December 31, 2016,":

21 Insert "and before January 1, 2018,"
22

23 Page 16, line 19:

24 Delete "10"

25 Insert "25"

26 Delete "loss."

27 Insert "loss. For lease expenditures incurred after December 31, 2017, to explore
28 for, develop, or produce oil or gas deposits located in the Cook Inlet sedimentary basin,
29 a producer or explorer may elect to take a credit in the amount of 20 percent of a
30 carried-forward annual loss."
31

1 Page 18, lines 18 - 19:

2 Delete "January 1, 2018"

3 Insert "January 1, 2017"

4

5 Page 18, lines 20 - 21:

6 Delete all material.

7

8 Reletter the following subparagraph accordingly.

9

10 Page 18, line 24:

11 Delete "December 31, 2017"

12 Insert "December 31, 2016"

13

14 Page 35, line 10:

15 Delete "26, and 27"

16 Insert "27, and 28"

17

18 Page 35, lines 15 - 16:

19 Delete "sec. 42"

20 Insert "sec. 43"

21

22 Page 35, line 17:

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

24 Insert "secs. 18, 19, 29, 36, and 37"

25

26 Page 35, line 18:

27 Delete "sec. 42"

28 Insert "sec. 43"

29

30 Page 35, line 21:

31 Delete "sec. 42"

- 1 Insert "sec. 43"
- 2
- 3 Page 35, line 23:
- 4 Delete "sec. 42"
- 5 Insert "sec. 43"
- 6
- 7 Page 35, line 26:
- 8 Delete "sec. 42"
- 9 Insert "sec. 43"
- 10
- 11 Page 35, line 29:
- 12 Delete "sec. 42"
- 13 Insert "sec. 43"
- 14
- 15 Page 35, line 31:
- 16 Delete "sec. 42"
- 17 Insert "sec. 43"
- 18
- 19 Page 36, line 4:
- 20 Delete "sec. 33"
- 21 Insert "sec. 34"
- 22
- 23 Page 36, line 5:
- 24 Delete "sec. 42"
- 25 Insert "sec. 43"
- 26
- 27 Page 36, line 7:
- 28 Delete "sec. 42"
- 29 Insert "sec. 43"
- 30
- 31 Page 37, line 2:

- 1 Delete "Sections 24, 43, and 47"
- 2 Insert "Sections 25, 44, and 48"
- 3
- 4 Page 37, following line 3:
- 5 Insert a new bill section to read:
- 6 **** Sec. 51.** Section 14 of this Act takes effect July 1, 2016."
- 7
- 8 Renumber the following bill sections accordingly.
- 9
- 10 Page 37, line 4:
- 11 Delete "Sections 17, 18, 28 - 30, 33 - 37, 39, 42, 45, and 46"
- 12 Insert "Sections 18, 19, 29 - 31, 34 - 38, 40, 43, 46, and 47"
- 13
- 14 Page 37, line 6:
- 15 Delete "secs. 49 and 50"
- 16 Insert "secs. 50 - 52"