



AMENDMENT #14

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OFFERED IN THE HOUSE
TO: CSHB 247(FIN)

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Page 5, following line 4:

Insert a new bill section to read:

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

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

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

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

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

(2) on and after January 1, 2014, and before January 1, 2017 [JANUARY 1, 2022], the tax is equal to the annual production tax value of the taxable oil and gas as calculated under AS 43.55.160(a)(1) multiplied by 35 percent;

(3) on and after January 1, 2017, and before January 1, 2022, the tax is equal to the sum of

(A) the annual production tax value of the taxable oil and gas as calculated under AS 43.55.160(a)(1) multiplied by 35 percent; and

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

1 **(4)** on and after January 1, 2022, the tax for

2 (A) oil is equal to the **sum of**

3 **(i) the** annual production tax value of the taxable oil as
4 calculated under AS 43.55.160(h) multiplied by 35 percent; **and**

5 **(ii) the sum, over all the months of the calendar**
6 **year, of the amounts determined under (g) of this section;**

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

11
12 Renumber the following bill sections accordingly.

13
14 Page 7, following line 3:

15 Insert a new bill section to read:

16 **** Sec. 12.** AS 43.55.011(g) is amended to read:

17 **(g) For purposes of (e) of this section, the tax amount is determined as**
18 **follows:**

19 **(1) before January 1, 2014, for** [FOR] each month of a calendar year
20 [BETWEEN 2014] for which the producer's average monthly production tax value under
21 AS 43.55.160(a)(2) of a BTU equivalent barrel of the taxable oil and gas is more than
22 \$30, the amount of tax for purposes of (e)(1)(B) of this section is determined by
23 multiplying the monthly production tax value of the taxable oil and gas produced
24 during the month by the tax rate calculated as follows:

25 **(A) [(1)]** if the producer's average monthly production tax value of a
26 BTU equivalent barrel of the taxable oil and gas for the month is not more than
27 \$92.50, the tax rate is 0.4 percent multiplied by the number that represents the
28 difference between that average monthly production tax value of a BTU equivalent
29 barrel and \$30; or

30 **(B) [(2)]** if the producer's average monthly production tax value of a
31 BTU equivalent barrel of the taxable oil and gas for the month is more than \$92.50,

1 the tax rate is the sum of 25 percent and the product of 0.1 percent multiplied by the
 2 number that represents the difference between the average monthly production tax
 3 value of a BTU equivalent barrel and \$92.50, except that the sum determined under
 4 this subparagraph [PARAGRAPH] may not exceed 50 percent;

5 (2) on or after January 1, 2017, for each month of the calendar
 6 year for which the producer's average monthly production tax value under
 7 AS 43.55.160(a)(2) of a BTU equivalent barrel of the taxable oil and gas is more
 8 than \$50, the difference between the monthly production tax value of a BTU
 9 equivalent barrel and \$50 multiplied by the volume of oil and gas produced by
 10 the producer for the month multiplied by 10 percent."

11
 12 Renumber the following bill sections accordingly.

13
 14 Page 11, line 4:

15 Delete "35 percent"

16 Insert "the sum of 35 percent and the tax rate calculated for the month under
 17 AS 43.55.011(g), as applicable,"

18
 19 Page 11, line 18:

20 Delete "35 percent"

21 Insert "the sum of 35 percent and the tax rate calculated for the month under
 22 AS 43.55.011(g), as applicable,"

23
 24 Page 11, line 30:

25 Delete "35 percent"

26 Insert "the sum of 35 percent and the tax rate calculated for the month under
 27 AS 43.55.011(g), as applicable,"

28
 29 Page 12, line 8:

30 Delete "35 percent"

31 Insert "the sum of 35 percent and the tax rate calculated for the month under

1 **AS 43.55.011(g), as applicable,**

2

3 Page 13, line 10:

4 Delete "35 percent"

5 Insert "**the sum of 35 percent and the tax rate calculated for the month under**
6 **AS 43.55.011(g), as applicable,**"

7

8 Page 13, line 25:

9 Delete "35 percent"

10 Insert "**the sum of 35 percent and the tax rate calculated for the month under**
11 **AS 43.55.011(g), as applicable,**"

12

13 Page 14, line 3:

14 Delete "35 percent"

15 Insert "**the sum of 35 percent and the tax rate calculated for the month under**
16 **AS 43.55.011(g), as applicable,**"

17

18 Page 14, line 17:

19 Delete "35 percent"

20 Insert "**the sum of 35 percent and the tax rate calculated for the month under**
21 **AS 43.55.011(g), as applicable,**"

22

23 Page 35, line 10:

24 Delete "26, and 27"

25 Insert "28, and 29"

26

27 Page 35, lines 15 - 16:

28 Delete "sec. 42"

29 Insert "sec. 44"

30

31 Page 35, line 17:

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

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

3

4 Page 35, line 18:

5 Delete "sec. 42"

6 Insert "sec. 44"

7

8 Page 35, line 21:

9 Delete "sec. 42"

10 Insert "sec. 44"

11

12 Page 35, line 23:

13 Delete "sec. 42"

14 Insert "sec. 44"

15

16 Page 35, line 26:

17 Delete "sec. 42"

18 Insert "sec. 44"

19

20 Page 35, line 29:

21 Delete "sec. 42"

22 Insert "sec. 44"

23

24 Page 35, line 31:

25 Delete "sec. 42"

26 Insert "sec. 44"

27

28 Page 36, line 4:

29 Delete "sec. 33"

30 Insert "sec. 35"

31

1 Page 36, line 5:

2 Delete "sec. 42"

3 Insert "sec. 44"

4

5 Page 36, line 7:

6 Delete "sec. 42"

7 Insert "sec. 44"

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9 Page 37, line 2:

10 Delete "Sections 24, 43, and 47"

11 Insert "Sections 26, 45, and 49"

12

13 Page 37, line 4:

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

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

16

17 Page 37, line 6:

18 Delete "secs. 49 and 50"

19 Insert "secs. 51 and 52"