

AMENDMENT # 8 BY SEN. WIELECHOWSKI

OFFERED IN THE SENATE

TO: SCS 2d CSHB 247(FIN)

1 Page 6, following line 11:

2 Insert a new bill section to read:

3 **"* Sec. 14.** AS 43.55.011(e) is amended to read:

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

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

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

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

15 (2) on and after January 1, 2014, and before January 1, 2022, the tax is
16 equal to **the sum of**

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

19 **(B) the sum, over all months of the calendar year, of the tax**
20 **amounts determined under (q) of this section;**

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

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

23 **(i)** the annual production tax value of the taxable oil as

1 calculated under AS 43.55.160(h) multiplied by 35 percent; **and**
2 **(ii) the sum, over all the months of the calendar**
3 **year, of the tax amounts determined under (q) of this section;**

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

9 Renumber the following bill sections accordingly.

10

11 Page 8, following line 2:

12 Insert a new bill section to read:

13 **"* Sec. 18.** AS 43.55.011 is amended by adding a new subsection to read:

14 (q) On and after January 1, 2017, for each month of the calendar year for
15 which the producer's average monthly production tax value under AS 43.55.160 of a
16 barrel of taxable oil is more than \$20, the department shall impose a tax on oil, in
17 addition to the tax under AS 43.55.011(e), at the rate of 0.3 percent multiplied by the
18 number that represents the difference between the average monthly production tax
19 value of a barrel of oil and \$20. The tax under this subsection applies to oil produced
20 from a lease or property within a unit or nonunitized reservoir that has cumulatively
21 produced 400,000,000 barrels of oil by the close of the most recent calendar year and
22 from which the average daily production of oil from the unit or nonunitized reservoir
23 during the most recent calendar year exceeds 20,000 barrels."
24

25 Renumber the following bill sections accordingly.

26

27 Page 11, line 11:

28 Delete "35 percent"

29 Insert **"the sum of 35 percent and the tax rate calculated for the month under**
30 **AS 43.55.011(q)"**

31

- 1 Page 11, line 25:
 - 2 Delete "35 percent"
 - 3 Insert "the sum of 35 percent and the tax rate calculated for the month under
 - 4 AS 43.55.011(q)"
 - 5
- 6 Page 12, line 6:
 - 7 Delete "35 percent"
 - 8 Insert "the sum of 35 percent and the tax rate calculated for the month under
 - 9 AS 43.55.011(q)"
 - 10
- 11 Page 12, line 15:
 - 12 Delete "35 percent"
 - 13 Insert "the sum of 35 percent and the tax rate calculated for the month under
 - 14 AS 43.55.011(q)"
 - 15
- 16 Page 13, line 18:
 - 17 Delete "35 percent"
 - 18 Insert "the sum of 35 percent and the tax rate calculated for the month under
 - 19 AS 43.55.011(q)"
 - 20
- 21 Page 14, line 3:
 - 22 Delete "35 percent"
 - 23 Insert "the sum of 35 percent and the tax rate calculated for the month under
 - 24 AS 43.55.011(q)"
 - 25
- 26 Page 14, line 12:
 - 27 Delete "35 percent"
 - 28 Insert "the sum of 35 percent and the tax rate calculated for the month under
 - 29 AS 43.55.011(q)"
 - 30
- 31 Page 14, line 26:

- 1 Delete "35 percent"
- 2 Insert "the sum of 35 percent and the tax rate calculated for the month under
- 3 AS 43.55.011(q)"
- 4
- 5 Page 15, line 9:
- 6 Delete "35 percent"
- 7 Insert "the sum of 35 percent and the tax rate calculated for the month under
- 8 AS 43.55.011(q)"
- 9
- 10 Page 17, line 28:
- 11 Delete "sec. 19"
- 12 Insert "sec. 21"
- 13
- 14 Page 23, line 20:
- 15 Delete "sec. 28"
- 16 Insert "sec. 30"
- 17
- 18 Page 35, line 21:
- 19 Delete "sec. 27"
- 20 Insert "sec. 29"
- 21
- 22 Page 35, line 22:
- 23 Delete "sec. 30"
- 24 Insert "sec. 32"
- 25
- 26 Page 35, line 24:
- 27 Delete "sec. 29"
- 28 Insert "sec. 31"
- 29
- 30 Page 35, line 25:
- 31 Delete "27, 29, and 30"

1 Insert "29, 31, and 32"

2

3 Page 35, line 26:

4 Delete "sec. 15"

5 Insert "sec. 16"

6

7 Page 35, line 27:

8 Delete "sec. 15"

9 Insert "sec. 16"

10

11 Page 35, line 31:

12 Delete "sec. 45"

13 Insert "sec. 47"

14

15 Page 36, line 1:

16 Delete "secs. 26 and 29"

17 Insert "secs. 28 and 31"

18

19 Page 36, line 3:

20 Delete "sec. 45"

21 Insert "sec. 47"

22

23 Page 36, line 5:

24 Delete "sec. 45"

25 Insert "sec. 47"

26

27 Page 36, line 7:

28 Delete "secs. 26 and 29"

29 Insert "secs. 28 and 31"

30

31 Page 36, line 8:

1 Delete "sec. 45"

2 Insert "sec. 47"

3

4 Page 36, line 10:

5 Delete "sec. 45"

6 Insert "sec. 47"

7

8 Page 36, line 12:

9 Delete "sec. 45"

10 Insert "sec. 47"

11

12 Page 36, lines 16 - 17:

13 Delete "sec. 45"

14 Insert "sec. 47"

15

16 Page 36, line 17:

17 Delete "secs. 21 and 22"

18 Insert "secs. 23 and 24"

19

20 Page 36, line 18:

21 Delete "sec. 31"

22 Insert "sec. 33"

23 Delete "sec. 38"

24 Insert "sec. 40"

25

26 Page 36, line 19:

27 Delete "sec. 39"

28 Insert "sec. 41"

29

30 Page 36, line 21:

31 Delete "sec. 45"

1 Insert "sec. 47"

2

3 Page 36, line 24:

4 Delete "sec. 45"

5 Insert "sec. 47"

6

7 Page 36, line 26:

8 Delete "sec. 45"

9 Insert "sec. 47"

10

11 Page 36, line 29:

12 Delete "sec. 45"

13 Insert "sec. 47"

14

15 Page 37, line 1:

16 Delete "sec. 45"

17 Insert "sec. 47"

18

19 Page 37, lines 2 - 3:

20 Delete "sec. 45"

21 Insert "sec. 47"

22

23 Page 37, line 7:

24 Delete "sec. 20"

25 Insert "sec. 22"

26

27 Page 37, line 8:

28 Delete "sec. 20"

29 Insert "sec. 22"

30

31 Page 37, line 12:

- 1 Delete "sec. 20"
- 2 Insert "sec. 22"
- 3
- 4 Page 37, line 16:
 - 5 Delete "sec. 36"
 - 6 Insert "sec. 38"
 - 7
- 8 Page 37, line 17:
 - 9 Delete "sec. 45"
 - 10 Insert "sec. 47"
 - 11
- 12 Page 37, line 20:
 - 13 Delete "sec. 45"
 - 14 Insert "sec. 47"
 - 15
- 16 Page 38, line 15:
 - 17 Delete "Sections 51 and 52"
 - 18 Insert "Sections 53 and 54"
 - 19
- 20 Page 38, line 16:
 - 21 Delete "Sections 20 - 22, 26, 29, 31 - 33, 36 - 40, 45, 47 - 50"
 - 22 Insert "Sections 22 - 24, 28, 31, 33 - 35, 38 - 42, 47, 49 - 52"
 - 23
- 24 Page 38, line 17:
 - 25 Delete "sec. 42"
 - 26 Insert "sec. 44"
 - 27
- 28 Page 38, line 18:
 - 29 Delete "secs. 53 and 54"
 - 30 Insert "secs. 55 and 56"