

AMENDMENT #1

OFFERED IN THE SENATE
TO: CSSB 39(L&C)

BY SENATOR WIELECHOWSKI

1 Page 1, line 1, following "credit;":

2 Insert "relating to the oil and gas production tax;"

3

4 Page 1, following line 4:

5 Insert a new bill section to read:

6 **** Section 1.** AS 43.55.024(j) is amended to read:

7 (j) Except as otherwise provided in this subsection, a [A] producer may
8 apply against the producer's tax liability for the calendar year under AS 43.55.011(e) a
9 tax credit in the amount specified in this subsection for each barrel of oil taxable under
10 AS 43.55.011(e) that does not meet any of the criteria in AS 43.55.160(f) or (g) and
11 that is produced during a calendar year after December 31, 2013, from leases or
12 properties north of 68 degrees North latitude. **Oil produced from each lease or**
13 **property within a unit or nonunitized reservoir that has cumulatively produced**
14 **400,000,000 barrels of oil by the close of the most recent calendar year and from**
15 **which the average daily production of oil from the unit or nonunitized reservoir**
16 **during the most recent calendar year exceeded 20,000 barrels is not eligible for a**
17 **credit under this subsection.** A tax credit under this subsection may not reduce a
18 producer's tax liability for a calendar year under AS 43.55.011(e) below the amount
19 calculated under AS 43.55.011(f). The amount of the tax credit for a barrel of taxable
20 oil subject to this subsection produced during a month of the calendar year is

21 (1) \$8 for each barrel of taxable oil if the average gross value at the
22 point of production for the month is less than \$80 a barrel;

23 (2) \$7 for each barrel of taxable oil if the average gross value at the

1 point of production for the month is greater than or equal to \$80 a barrel, but less than
2 \$90 a barrel;

3 (3) \$6 for each barrel of taxable oil if the average gross value at the
4 point of production for the month is greater than or equal to \$90 a barrel, but less than
5 \$100 a barrel;

6 (4) \$5 for each barrel of taxable oil if the average gross value at the
7 point of production for the month is greater than or equal to \$100 a barrel, but less
8 than \$110 a barrel;

9 (5) \$4 for each barrel of taxable oil if the average gross value at the
10 point of production for the month is greater than or equal to \$110 a barrel, but less
11 than \$120 a barrel;

12 (6) \$3 for each barrel of taxable oil if the average gross value at the
13 point of production for the month is greater than or equal to \$120 a barrel, but less
14 than \$130 a barrel;

15 (7) \$2 for each barrel of taxable oil if the average gross value at the
16 point of production for the month is greater than or equal to \$130 a barrel, but less
17 than \$140 a barrel;

18 (8) \$1 for each barrel of taxable oil if the average gross value at the
19 point of production for the month is greater than or equal to \$140 a barrel, but less
20 than \$150 a barrel;

21 (9) zero if the average gross value at the point of production for the
22 month is greater than or equal to \$150 a barrel."
23

24 Page 1, line 5:

25 Delete "**Section 1**"

26 Insert "**Sec. 2**"

27
28 Renumber the following bill sections accordingly.
29

30 Page 3, line 16:

31 Delete "sec. 7"

- 1 Insert "sec. 8"
- 2
- 3 Page 3, line 19:
- 4 Delete "sec. 7"
- 5 Insert "sec. 8"
- 6
- 7 Page 3, line 23:
- 8 Delete "sec. 7"
- 9 Insert "sec. 8"
- 10
- 11 Page 3, lines 25 - 26:
- 12 Delete "sec. 7"
- 13 Insert "sec. 8"
- 14
- 15 Page 3, following line 27:
- 16 Insert a new bill section to read:
- 17 **** Sec. 14.** Section 1 of this Act takes effect January 1, 2016."
- 18
- 19 Renumber the following bill sections accordingly.
- 20
- 21 Page 3, line 28:
- 22 Delete "Sections 1, 3, 5 - 7, and 9 - 11"
- 23 Insert "Sections 2, 4, 6 - 8, and 10 - 12"
- 24
- 25 Page 3, line 29:
- 26 Delete "Section 2"
- 27 Insert "Section 3"
- 28
- 29 Page 3, line 31:
- 30 Delete "Section 4"
- 31 Insert "Section 5"

1

2 Page 4, line 2:

3 Delete "secs. 12 - 14"

4 Insert "secs. 13 - 16"