

AMENDMENT # 3

OFFERED IN THE SENATE

BY SENATOR WIELECHOWSKI

TO: SCS CSHB 111(FIN)

1 Page 1, line 4, following "**certificates**";:

2 Insert "**relating to information concerning lease expenditures**; "

3

4 Page 16, following line 3:

5 Insert new bill sections to read:

6 **\*\* Sec. 22.** AS 43.55.030(a) is amended to read:

7 (a) A producer that produces oil or gas from a lease or property in the state  
8 during a calendar year, whether or not any tax payment is due under AS 43.55.020(a)  
9 for that oil or gas, shall file with the department on March 31 of the following year a  
10 statement, under oath, in a form prescribed by the department, giving, with other  
11 information required under a regulation adopted by the department, the following:

12 (1) a description of each lease or property from which oil or gas was  
13 produced, by name, legal description, lease number, or accounting codes assigned by  
14 the department;

15 (2) the names of the producer and, if different, the person paying the  
16 tax, if any;

17 (3) the gross amount of oil and the gross amount of gas produced from  
18 each lease or property, separately identifying the gross amount of gas produced from  
19 each oil and gas lease to which an effective election under AS 43.55.014(a) applies,  
20 the amount of gas delivered to the state under AS 43.55.014(b), and the percentage of  
21 the gross amount of oil and gas owned by the producer;

22 (4) the gross value at the point of production of the oil and of the gas  
23 produced from each lease or property owned by the producer and the costs of

1 transportation of the oil and gas;

2 (5) the name of the first purchaser and the price received for the oil and  
3 for the gas, unless relieved from this requirement in whole or in part by the  
4 department;

5 (6) the producer's qualified capital expenditures, as defined in  
6 AS 43.55.023, other lease expenditures under AS 43.55.165, and adjustments or other  
7 payments or credits under AS 43.55.170;

8 (7) the production tax values of the oil and gas under AS 43.55.160(a)  
9 or of the oil under AS 43.55.160(h), as applicable;

10 (8) any claims for tax credits to be applied; [AND]

11 (9) calculations showing the amounts, if any, that were or are due  
12 under AS 43.55.020(a) and interest on any underpayment or overpayment; **and**

13 **(10) for each expenditure that is the basis of a lease expenditure**  
14 **carried forward under AS 43.55.165(a)(3), the lease or property for which the**  
15 **expenditure was incurred.**

16 \* **Sec. 23.** AS 43.55.030(e) is amended to read:

17 (e) An explorer or producer that incurs a lease expenditure under  
18 AS 43.55.165 or receives a payment or credit under AS 43.55.170 during a calendar  
19 year but does not produce oil or gas from a lease or property in the state during the  
20 calendar year shall file with the department, on March 31 of the following year, a  
21 statement, under oath, in a form prescribed by the department, giving, with other  
22 information required **under a regulation adopted by the department,** the following:

23 (1) the explorer's or producer's qualified capital expenditures, as  
24 defined in AS 43.55.023, other lease expenditures under AS 43.55.165, and  
25 adjustments or other payments or credits under AS 43.55.170; [AND]

26 (2) if the explorer or producer receives a payment or credit under  
27 AS 43.55.170, calculations showing whether the explorer or producer is liable for a  
28 tax under AS 43.55.160(d) or 43.55.170(b) and, if so, the amount; **and**

29 **(3) for each expenditure that is the basis of a lease expenditure**  
30 **carried forward under AS 43.55.165(a)(3), the lease or property for which the**  
31 **expenditure was incurred."**

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Renumber the following bill sections accordingly.

Page 18, line 5:

Delete "**(m) and (n)**"

Insert "**(m) - (o)**"

Page 19, following line 5:

Insert a new subsection to read:

"(o) A carried-forward annual loss may not reduce a taxpayer's gross value at the point of production by an amount that exceeds the gross value at the point of production of the oil and gas produced from the lease or property where the carried-forward annual loss was incurred during the calendar year the carried-forward annual loss is applied."

Page 19, lines 30 - 31:

Delete "43.55.165(m) and (n)"

Insert "43.55.165(m) - (o)"

Page 19, line 31:

Delete "secs. 24 and 27"

Insert "secs. 26 and 29"

Page 20, line 1:

Delete "secs. 24 and 27"

Insert "secs. 26 and 29"

Page 20, line 11:

Delete "sec. 30"

Insert "sec. 32"

- 1 Page 20, line 12:
  - 2 Delete "sec. 30"
  - 3 Insert "sec. 32"
  - 4
- 5 Page 20, line 14:
  - 6 Delete "sec. 30"
  - 7 Insert "sec. 32"
  - 8
- 9 Page 20, line 18:
  - 10 Delete "sec. 29"
  - 11 Insert "sec. 31"
  - 12
- 13 Page 20, line 19:
  - 14 Delete "secs. 22, 23, 25, and 28"
  - 15 Insert "secs. 24, 25, 27, and 30"
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- 17 Page 20, line 20:
  - 18 Delete "sec. 29"
  - 19 Insert "sec. 31"
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- 21 Page 20, line 24:
  - 22 Delete "sec. 29"
  - 23 Insert "sec. 31"
  - 24
- 25 Page 20, line 26:
  - 26 Delete "sec. 29"
  - 27 Insert "sec. 31"
  - 28
- 29 Page 20, line 27:
  - 30 Delete "sec. 29"
  - 31 Insert "sec. 31"

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- 2 Page 21, lines 1 - 2:
  - 3 Delete "sec. 30"
  - 4 Insert "sec. 32"
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- 6 Page 21, line 12:
  - 7 Delete "30, 35, and 37"
  - 8 Insert "32, 37, and 39"
  - 9
- 10 Page 21, line 27:
  - 11 Delete "31, 32, 38, and 39"
  - 12 Insert "33, 34, 40, and 41"
  - 13
- 14 Page 21, line 29:
  - 15 Delete "Section 24"
  - 16 Insert "Section 26"
  - 17
- 18 Page 21, line 31:
  - 19 Delete "sec. 39"
  - 20 Insert "sec. 41"
  - 21 Delete "30, 35, and 37"
  - 22 Insert "32, 37, and 39"
  - 23
- 24 Page 22, line 3:
  - 25 Delete "sec. 39"
  - 26 Insert "sec. 41"
  - 27
- 28 Page 22, line 5:
  - 29 Delete "40 - 42"
  - 30 Insert "42 - 44"