

AMENDMENT # 8

OFFERED IN THE SENATE
TO: SCS CSHB 111(FIN)

BY SENATOR WIELECHOWSKI

1 Page 1, line 1, following "Act":

2 Insert "**relating to the qualified in-state oil refinery infrastructure expenditures**
3 **tax credit;**"

4

5 Page 3, following line 18:

6 Insert new bill sections to read:

7 **"* Sec. 4.** AS 43.20.053(g) is amended to read:

8 (g) If an oil refinery ceases commercial operation during the nine calendar
9 years immediately following the calendar year in which a credit under **former (a) of**
10 this section was received, regardless of whether commercial operation later resumes,
11 the taxpayer's tax liability under this chapter will be increased. The tax liability
12 increase is equal to the total amount of credit taken multiplied by a fraction

13 (1) the numerator of which is the difference between 10 and the
14 number of calendar years for which the oil refinery was eligible for a credit under
15 **former (a) of** this section; and

16 (2) the denominator of which is 10.

17 *** Sec. 5.** AS 43.20.053(h) is amended to read:

18 (h) A person claiming a tax credit under **former (a) of** this section for an oil
19 refinery that ceases commercial operation or is sold during the nine calendar years
20 immediately following the calendar year in which a credit under **former (a) of** this
21 section was received shall notify the department in writing of the date the oil refinery
22 ceased commercial operation or was sold. The notice must be filed with the return for
23 the tax year in which the oil refinery ceases commercial operation or was sold.

1 * **Sec. 6.** AS 43.20.053(i) is amended to read:

2 (i) The issuance of a refund under **former (d) of** this section does not limit the
3 department's ability to later audit or adjust the claim as provided in AS 43.05 if the
4 department determines that the taxpayer claiming the credit was not entitled to the
5 amount of the credit."
6

7 Renumber the following bill sections accordingly.
8

9 Page 4, line 20:

10 Delete "sec. 5"

11 Insert "sec. 8"

12

13 Page 7, line 8:

14 Delete "sec. 9"

15 Insert "sec. 12"

16

17 Page 13, line 27:

18 Delete "43.20.053."

19 Insert "**former AS 43.20.053(d).**"
20

21 Page 13, line 30:

22 Delete ":"

23 Insert "[43.20.053]."
24

25 Page 14, line 26:

26 Delete "sec. 19"

27 Insert "sec. 22"
28

29 Page 15, following line 21:

30 Insert a new bill section to read:

31 **** Sec. 24.** AS 43.55.028(g) is amended to read:

1 (g) The department shall adopt regulations to carry out the purposes of this
 2 section, including standards and procedures to allocate available money among
 3 applications for purchases under this chapter and claims for refunds and payments
 4 under AS 43.20.046, 43.20.047, or **former AS 43.20.053(d)** [43.20.053] when the
 5 total amount of the applications for purchase and claims for refund exceed the amount
 6 of available money in the fund. The regulations adopted by the department

7 (1) may not, when allocating available money in the fund under this
 8 section, distinguish an application for the purchase of a credit certificate issued under
 9 former AS 43.55.023(m) or a claim for a refund or payment under AS 43.20.046,
 10 43.20.047, or **former AS 43.20.053(d)** [43.20.053];

11 (2) must, when allocating available money in the fund under this
 12 section, grant a preference, between two applicants, to the applicant with a higher
 13 percentage of resident workers in the applicant's workforce, including workers
 14 employed by the applicant's direct contractors, in the state in the previous calendar
 15 year; in this paragraph, "resident worker" has the meaning given in AS 43.40.092(b);

16 (3) must provide for the purchase of the amount equal to the first 50
 17 percent of the credit repurchase limit for each person under (e) of this section at a rate
 18 of 100 percent of the value of the certificate or portion of the certificate requested to
 19 be purchased and the amount equal to the next 50 percent of the credit repurchase limit
 20 for each person under (e) of this section at a rate of 75 percent of the value of the
 21 certificate or portion of the certificate requested to be purchased."
 22

23 Renumber the following bill sections accordingly.

24
 25 Page 19, line 11:

26 Delete "AS 43.55.023(b) is"

27 Insert "AS 43.20.053(a), 43.20.053(b), 43.20.053(c), 43.20.053(d), 43.20.053(e),
 28 43.20.053(f), 43.20.053(j); and AS 43.55.023(b) are"

29
 30 Page 19, following line 11:

31 Insert a new bill section to read:

1 **"* Sec. 34.** AS 43.20.053(g), 43.20.053(h), and 43.20.053(i) are repealed January 1, 2027."

2

3 Renumber the following bill sections accordingly.

4

5 Page 19, line 12:

6 Delete ", AS 43.20.053(e)"

7

8 Page 19, line 18:

9 Delete "secs. 9, 12, and 15"

10 Insert "secs. 12, 15, and 18"

11

12 Page 19, line 23:

13 Delete "sec. 4"

14 Insert "sec. 7"

15 Delete "sec. 7"

16 Insert "sec. 10"

17

18 Page 19, line 24:

19 Delete "sec. 14"

20 Insert "sec. 17"

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22 Page 19, line 31:

23 Delete "secs. 24 and 27"

24 Insert "secs. 28 and 31"

25

26 Page 20, line 1:

27 Delete "secs. 24 and 27"

28 Insert "secs. 28 and 31"

29

30 Page 20, line 11:

31 Delete "sec. 30"

1 Insert "sec. 35"

2

3 Page 20, line 12:

4 Delete "sec. 30"

5 Insert "sec. 35"

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7 Page 20, line 14:

8 Delete "sec. 30"

9 Insert "sec. 35"

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11 Page 20, following line 14:

12 Insert a new bill section to read:

13 **"* Sec. 41.** The uncodified law of the State of Alaska is amended by adding a new section to
14 read:

15 TRANSITION: QUALIFIED IN-STATE OIL REFINERY INFRASTRUCTURE
16 EXPENDITURES TAX CREDIT. Notwithstanding the repeal of AS 43.20.053(a) - (f) and (j)
17 by sec. 33 of this Act, the amendments to AS 43.20.053(g) - (i) by secs 4 - 6 of this Act, and
18 the amendments to AS 43.55.028(a) and (g) by secs. 21 and 34 of this Act,

19 (1) a taxpayer that incurs a qualified infrastructure expenditure before the
20 repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act that qualifies for a qualified in-
21 state oil refinery infrastructure expenditures tax credit under AS 43.20.053 may apply for a
22 tax credit under AS 43.20.053, as that section read on the day before the repeal of
23 AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act, may apply for a refund or payment under
24 AS 43.55.028, as that section read on the day before the effective date of secs. 21 and 24 of
25 this Act, or may carry forward a credit subject to the limitations of AS 43.20.053(b), as that
26 subsection read on the day before the repeal of AS 43.20.053(b) by sec. 33 of this Act;

27 (2) the Department of Revenue may, for a qualified infrastructure expenditure
28 incurred before the repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act, issue a refund
29 under AS 43.20.053 and AS 43.55.028(a) and (g), as those sections read on the day before the
30 repeal of AS 43.20.053(a) - (f) and (j) by sec. 33 of this Act and continue to apply and enforce
31 AS 43.20.053, as that section read on the day before the repeal of AS 43.20.053(a) - (f) and (j)

1 by sec. 33 of this Act."

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3 Renumber the following bill sections accordingly.

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5 Page 20, line 18:

6 Delete "sec. 29"

7 Insert "sec. 33"

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9 Page 20, line 19:

10 Delete "secs. 22, 23, 25, and 28"

11 Insert "secs. 26, 27, 29, and 32"

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13 Page 20, line 20:

14 Delete "sec. 29"

15 Insert "sec. 33"

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17 Page 20, line 24:

18 Delete "sec. 29"

19 Insert "sec. 33"

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21 Page 20, line 26:

22 Delete "sec. 29"

23 Insert "sec. 33"

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25 Page 20, line 27:

26 Delete "sec. 29"

27 Insert "sec. 33"

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29 Page 21, lines 1 - 2:

30 Delete "sec. 30"

31 Insert "sec. 35"

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Page 21, line 12:

Delete "6, 8, 30, 35, and 37"

Insert "9, 11, 35, 40, and 43"

Page 21, line 27:

Delete "4, 7, 9, 12 - 15, 17, 19, 31, 32, 38, and 39"

Insert "7, 10, 12, 15 - 18, 20, 22, 36, 37, 44, and 45"

Page 21, line 29:

Delete "Section 24"

Insert "Section 28"

Page 21, following line 30:

Insert a new bill section to read:

**** Sec. 48.** Section 34 of this Act takes effect January 1, 2027."

Renumber the following bill sections accordingly.

Page 21, line 31:

Delete "sec. 39"

Insert "sec. 45"

Delete "6, 8, 30, 35, and 37"

Insert "9, 11, 35, 40, and 43"

Page 22, line 3:

Delete "sec. 39"

Insert "sec. 45"

Page 22, line 5:

Delete "secs. 40 - 42"

1 Insert "secs. 46 - 49"