

Introduced: 9/29/67
Referred: Finance

1 IN THE HOUSE

BY THE RULES COMMITTEE
BY REQUEST OF THE GOVERNOR

2 HOUSE BILL NO. 15

3 IN THE LEGISLATURE OF THE STATE OF ALASKA
4 FIFTH LEGISLATURE - FIRST SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act providing for a disaster relief tax; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. DECLARATION OF INTENT. The legislature intends to provide
10 a source of revenue to help meet the financial obligations of the state,
11 including alleviating the effects of natural disasters wherever and when-
12 ever they may occur in the state.

13 * Sec. 2. AS 43.43 is amended by adding new sections to read:

14 ARTICLE 2. DISASTER SEVERANCE TAX

15 Sec. 43.43.100. TAX IMPOSED. There is levied a disaster
16 severance tax upon every person producing oil and gas a tax of one
17 per cent of the gross value at the well of all oil and gas produced
18 in the state, less the value of any part, the ownership of right to
19 which is exempt from taxation. The tax is upon the whole production,
20 including what is commonly known as the royalty interest.

21 Sec. 43.43.110. COLLECTION AND ADMINISTRATION. The tax levied
22 in sec. 100 of this chapter shall be deposited in the general fund
23 and a special account kept of the money deposited. The commissioner
24 of revenue shall report to the legislature the amount of money
25 collected and deposited in the general fund under this article
26 during the preceding fiscal year. The report shall be filed with
27 the finance committee of the legislature within five days after the
28 legislature convenes. Either finance committee may require addi-
29 tional information it considers necessary with respect to the money

1 collected under this article.

2 Sec. 43.43.120. ~~TERMINATION OF TAX.~~ (a) When at the close of
3 a fiscal year the combined amount received from the taxes collected
4 under this chapter exceeds by more than \$7,500,000 the amounts
5 appropriated out of the general fund after August 15, 1967 for
6 disaster purposes, the tax under sec. 100 of this chapter shall
7 terminate.

8 (b) Once the tax required by sec. 100 of this chapter is
9 terminated in accordance with (a) of this section, it shall auto-
10 matically be reimposed at the beginning of the first fiscal year
11 following that fiscal year in which the combined amount received
12 from taxes under this chapter is less than \$5,000,000 more than the
13 amounts appropriated out of the general fund after August 15, 1967
14 for disaster purposes.

15 (c) The tax required by sec. 100 of this chapter will continue
16 to be imposed and terminated following the formula prescribed in
17 (a) and (b) of this section.

18 * Sec. 3. This Act takes effect on the day after its passage and
19 approval or on the day it becomes law without approval.
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