

1 IN THE SENATE

BY SMITH

2 SENATE BILL NO. 235

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FIFTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the disaster relief tax."  
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

8 \* Section 1. AS 43.43.120 is amended to read:

9 Sec. 43.43.120. TAX IMPOSED. There is levied upon every person  
10 producing oil and gas a disaster severance tax of two and one-half  
11 [ONE] per cent of the gross value at the well of all oil and gas  
12 produced in the state, less the value of any part, the ownership or  
13 right to which is exempt from taxation. The tax is upon the whole  
14 production, including what is commonly known as the royalty interest  
15 and is in addition to the presently existing one per cent imposed by  
16 ch. 55 of this title.

17 \* Sec. 2. AS 43.43.150 is amended to read:

18 Sec. 43.43.150. TERMINATION OF SPECIAL ACCOUNT [TAX]. (a) When,  
19 at the close of the fiscal year, the combined amount received since  
20 the effective date of this tax from all the taxes collected under this  
21 chapter plus any unexpended appropriations for disaster purposes ex-  
22 ceeds by more than \$7,500,000 the amounts appropriated out of the  
23 general fund after August 15, 1967 for disaster purposes, then at that  
24 time the tax under sec. 120 of this chapter shall no longer be accounted  
25 for as in sec. 140 but shall be accounted for as all other revenues  
26 going to the general fund [TERMINATE].

27 (b) Once the tax required by sec. 120 of this chapter is ac-  
28 counted for [TERMINATED] in accordance with (a) of this section, the  
29 accounting procedure in sec. 140 of this chapter [IT] shall

1 automatically be reimposed at the beginning of the first fiscal year  
2 following the end of that fiscal year in which the combined amount re-  
3 ceived since the effective date of this tax from all taxes collected  
4 under this chapter plus any unexpended appropriations for disaster  
5 purposes is less than \$5,000,000 more than the amounts appropriated out  
6 of the general fund after August 15, 1967 for disaster purposes.

7 (c) The accounting procedure [TAX] required by sec. 140 [120]  
8 of this chapter will continue to be imposed and terminated following  
9 the formula prescribed in (a) and (b) of this section.  
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