

1 IN THE SENATE

BY BLODGETT

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SENATE BILL NO. 52

IN THE LEGISLATURE OF THE STATE OF ALASKA

SIXTH LEGISLATURE - FIRST SESSION

A BILL

For an Act entitled: "An Act relating to the oil and gas properties pro-  
duction tax."

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

\* Section 1. AS 43.55.010(a) is repealed and re-enacted to read:

(a) There is levied upon every person producing oil and gas a tax on the gross value at the well of all oil and gas produced in the state, less the value of any part, the ownership or right to which is exempt from taxation. The tax is upon the whole production, including what is commonly known as the royalty interest. The rates of taxation are as follows:

(1) on oil, the tax shall be 20 per cent; however, the tax on oil processed (as defined in regulations of the Department of Natural Resources) within the state is five per cent;

(2) on gas, the tax shall be 20 per cent; however, the tax on gas consumed within the state is five per cent.