

Introduced: 4/17/71
Referred: Resources and
Finance

1 IN THE HOUSE

BY HUBER

2 HOUSE BILL NO. 437

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SEVENTH LEGISLATURE - FIRST SESSION

5 A BILL

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

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

9 * Section 1. AS 43 is amended by adding a new chapter to read:

10 CHAPTER 43. DISASTER SEVERANCE TAX.

11 Sec. 43.43.011. DECLARATION OF INTENT. The legislature intends
12 to provide a permanent source of revenue to held meet the continuing
13 financial obligation of the state to alleviate the effects of natural
14 disasters wherever and whenever they may occur in the state.

15 Sec. 43.43.021. TAX IMPOSED. There is levied upon every person
16 producing oil and gas a disaster severance tax of one per cent of the
17 gross value at the well of all oil and gas produced in the state, less
18 the value of any part, the ownership or right to which is exempt from
19 taxation. The tax is upon the whole production, including what is
20 commonly known as the royalty interest.

21 Sec. 43.43.031. COLLECTION AND ADMINISTRATION. The tax levied
22 in sec. 21 of this chapter shall be administered and collected in the
23 same manner as the oil and gas properties production tax as prescribed
24 in ch. 55 of this title.

25 Sec. 43.43.041. SPECIAL ACCOUNT. The tax levied in sec. 21 of
26 this chapter shall be deposited in the general fund. The commissioner
27 of revenue shall report to the legislature the amount of money collected
28 and deposited in the general fund under secs. 11 - 61 of this chapter
29 during the preceding fiscal year. The report shall be filed with the

1 finance committees of the legislature within five days after the
2 legislature convenes.

3 Sec. 43.43.051. TERMINATION OF TAX. (a) When, at the close
4 of a fiscal year, the amount received since the effective date of this
5 tax from the tax collected under this chapter plus any unexpended
6 appropriations for disaster purposes exceeds by more than \$7,500,000
7 the amounts appropriated out of the general fund for disaster purposes,
8 then at that time the tax under sec. 21 of this chapter shall termi-
9 nate.

10 (b) Once the tax required by sec. 21 of this chapter is
11 terminated in accordance with (a) of this section, it shall automati-
12 cally be reimposed at the beginning of the first fiscal year following
13 the end of that fiscal year in which the amount received since the
14 effective date of this tax from the tax collected under this chapter
15 plus any unexpended appropriations for disaster purposes is less than
16 \$5,000,000 more than the amounts appropriated out of the general fund
17 for disaster purposes.

18 (c) The tax required by sec. 21 of this chapter will continue
19 to be imposed and terminated following the formula prescribed in (a)
20 and (b) of this section.

21 Sec. 43.43.061. DEFINITION. In secs. 11 - 61 of this chapter
22 "appropriated for disaster purposes" means appropriations which would
23 not have occurred except for a natural disaster.

24 * Sec. 2. This Act takes effect on the day after its passage and approv-
25 al or on the day it becomes law without approval.
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