

1 IN THE HOUSE

BY HUBER AND M. MILLER

2 HOUSE BILL NO. 14

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 EIGHTH LEGISLATURE - FIRST SPECIAL SESSION

5 A BILL

6 For an Act entitled: "An Act levying an oil and gas regulation and  
7 conservation tax; and providing for 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 57. OIL AND GAS REGULATION AND CONSERVATION TAX.

11 Sec. 43.57.010. OIL AND GAS REGULATION AND CONSERVATION TAX.

12 (a) There is levied upon the producer of oil a tax on each barrel of  
13 oil removed or sold from each lease or property in the state, less  
14 any part the ownership or right to which is exempt from taxation.  
15 The amount of the tax for regulation is to be determined by the  
16 annually budgeted amount required to support those operations of the  
17 Department of Natural Resources which directly relate to oil and gas  
18 resource regulation and protection. The amount of the tax for conser-  
19 vation is to be determined by the annually budgeted amount required  
20 to support those operations of the Department of Environmental Conser-  
21 vation which pertain to oil and gas related environmental conservation.  
22 However, the tax may not exceed one-quarter of one cent per barrel  
23 for the regulation tax, nor exceed one-quarter of one cent per barrel  
24 for the conservation tax. Any excess produced by the tax which is  
25 not utilized by the departments for such purposes reverts to the  
26 general fund. For the sole purpose of establishing the per barrel  
27 tax, the amount budgeted in the subsequent year to the departments  
28 for such purposes will be reduced by the amount of excess.

29 (b) The tax is in addition to and shall be administered and

1 paid in the same manner as the taxes imposed by ch. 55 of this title.  
2 Producers of oil are required to make reports of production in the  
3 same manner and under the same penalties as required by ch. 55 of this  
4 title.

5 (c) Proceeds from the tax shall be paid into the general fund.

6 \* Sec. 2. This Act takes effect January 1, 1974.  
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