

Introduced: 5/8/85
Referred: Resources
and Finance

1 IN THE SENATE

BY V.FISCHER

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SENATE BILL NO. 314

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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FOURTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act providing for an oil and gas discovery royal-
7 ty credit system."

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

9 * Section 1. AS 38.05.180 is amended by adding a new subsection to
10 read:

11 (aa) The commissioner may provide by regulation for the
12 establishment of an oil and gas discovery royalty credit system
13 whereby the lessee of an oil and gas lease on state land who drills
14 and makes the first discovery of oil and gas in commercial quantities
15 in a geologic structure may receive credits against the royalty
16 payments payable to the state under the lease not to exceed seven and
17 one-half percent in amount or value of the production removed or sold
18 under the lease for 10 years or less.