

1 IN THE HOUSE

BY DONLEY AND GRUENBERG

2

HOUSE BILL NO. 421

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6

For an Act entitled: "An Act authorizing an extension of the exemption
7 from the levy and collection of the tax imposed on
8 oil and gas production and pipeline transportation
9 property during the period of pipeline construction;
10 and providing for an effective date."

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

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* Section 1. AS 43.56.020 is amended by adding new subsections to read:

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(d) A taxpayer whose property is exempted from tax under (b) of
14 this section may obtain an extension of the exemption for the pro-
15 perty. If approved by the department, the extension commences on the
16 construction commencement date and expires on the December 31 follow-
17 ing the date on which the pipeline begins to transport gas or unre-
18 fined oil, or on the December 31 following the fifth anniversary of
19 the construction commencement date, whichever is earlier. To qualify
20 for the extension authorized by this subsection, the taxpayer shall
21 make written application to the department. The application must
22 include all information that the department may require by regulation.
23 The taxpayer shall submit the application to the department not later
24 than the construction commencement date.

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(e) The department shall adopt regulations specifying the infor-
26 mation to be submitted in or with an application for an extension
27 authorized by (d) of this section. The regulations may include re-
28 quirements that the applicant submit all information necessary for the
29 department to determine the property to be covered by, and the

1 duration of, the extension authorized by (d) of this section.

2 * Sec. 2. This Act takes effect January 1, 1989.