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Referred: Finance

6-1272A

1 IN THE SENATE

BY STURGULEWSKI AND KERTTULA

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SENATE BILL NO. 299

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IN THE LEGISLATURE OF THE STATE OF ALASKA

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SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act amending the manner of calculating gross
7 value of oil for purposes of administration of the
8 oil and gas properties production tax; and providing
9 for an effective date."

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

11 * Section 1. AS 43.55.150 is amended by adding a new subsection to
12 read:

13 (c) In determining the gross value of oil or gas under (a) of
14 this section, the department may not allow as reasonable costs of
15 transportation

16 (1) the amount of loss of or damage to, or of expense
17 incurred due to the loss of or damage to, a vessel used to transport
18 oil or gas if the loss, damage, or expense is incurred in connection
19 with a catastrophic oil discharge from the vessel into the marine or
20 inland waters of the state;

21 (2) the incremental costs of transportation of the oil or
22 gas that are attributable to temporary use of or chartered or substi-
23 tuted service provided by another vessel due to the loss of or damage
24 to a vessel regularly used to transport oil or gas and that are
25 incurred in connection with a catastrophic oil discharge into the
26 marine or inland waters of the state; and

27 (3) the costs incurred to charter, contract, or hire ves-
28 sels and equipment used to contain or clean up a catastrophic oil
29 discharge.

- 1 * Sec. 2. AS 43.55.140 is amended by adding a new paragraph to read:
2 (15) "catastrophic oil discharge" has the meaning given in
3 AS 46.04.120.
- 4 * Sec. 3. This Act is retroactive to the first day of the month in
5 which it takes effect, and applies to oil and gas produced on or after that
6 date.
- 7 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).