

STATE OF ALASKA

JAY S. HAMMOND, GOVERNOR

DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

POUCH S - JUNEAU 99811

May 18, 1976

The Honorable Kathryn Poland
Chairman
Senate Resources Committee
Alaska State Legislature
State Capitol Building
Juneau, Alaska

Re: Senate Bill No. 755

Dear Senator Poland:

Senate Bill No. 755, an Act relating to the oil and gas reserves ad valorem tax, was introduced in the Senate on May 7, 1976 and was referred to the Senate Resources and Finance Committees.

For the consideration of the Senate Resources Committee, I am enclosing a copy of a memorandum prepared by Thomas K. Williams, Director, Petroleum Revenue Division, Department of Revenue, Anchorage, Alaska regarding effect on revenues concerning the proposed legislation.

If you or any members of the Senate Resources Committee have any questions on the material submitted, please telephone the writer at 465-2397 and I will contact Mr. Williams in Anchorage for further information.

Very truly yours,

R. D. Stevenson
Special Assistant

cc: The Honorable Bill Ray
Chairman
Senate Finance Committee

Thomas K. Williams
Director, Petroleum Revenue Division
Department of Revenue
Anchorage, Alaska



"1776-A TRIBUTE FROM OUR STATE TO OUR NATION-1976"



MEMORANDUM

State of Alaska

TO: R. D. Stevenson
Special Assistant
Department of Revenue

DATE: May 13, 1976

FILE NO:

TELEPHONE NO:

FROM: Thomas K. Williams
Director
Petroleum Revenue Division

SUBJECT: SB 755

SB 755 would set the millage rate for the reserves tax next year at 21 mills. The Governor has proposed legislation setting it at 20 mills. At 20 mills, we project reserves tax receipts in FY 77 of \$258 million. SB 755 would collect 5 percent more, or \$270.9 million based on our estimate.

TKW:lgh

1 IN THE SENATE

BY THE STATE AFFAIRS COMMITTEE

2 SENATE BILL NO. 755

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the oil and gas reserves ad
7 valorem tax."

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

9 * Section 1. AS 43.58.010(b) is amended to read:

10 (b) The rate of levy for the tax year beginning

11 (1) January 1, 1976 is 20 mills;

12 (2) January 1, 1977 is 21 mills.

13 * Sec. 2. AS 43.58.010(d) is amended to read:

14 (d) The rate of levy may not exceed 30 [20] mills.

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