11596 HOUSE RESOURCES

Constituent/**Non-Constituent** Saved/ **Not Saved**

Gordon Pospisil of Anchorage (26) wrote the following message On 2/27/2006 at 07:58 about *Oil & Gas*

Message:

The Gas Pipeline and Oil Tax legislation proposed by the governor gives Alaskans the opportunity to participate in sustained production from Alaska's oil and gas resources at the highest rate in the US. You should support these bills for the benefit of all Alaskans.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Gordon Pospisil
3001 Mccollie Ave
Anchorage 99517
Email:blythewm@msn.com

Constituent/**Non-Constituent** Saved/ **Not Saved**

Richard Melms of Anchorage (31) wrote the following message On 2/27/2006 at 16:38 about *Oil & Gas*

Message:

Congratulations on tackling the issue of oil taxation. This is long overdue and difficult. Pls make the best decision for Alaska. The resources are ours and the oil companies have had a "sweetheart" deal for to long. We are counting on all of you to protect our interests first. Thank y

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Richard Melms
4201 Leyden Rd
Anchorage 99516
Email:rdzmelms@alaska.net
day:907 3456184
eve:907 3456184

Constituent/**Non-Constituent** Saved/ **Not Saved**

Matthew Erickson of Fairbanks (09) wrote the following message On 2/28/2006 at 03:32 about *Oil & Gas*

Message:

PLEASE!! Should we support an oil tax scheme, that causes government to desire continued high oil prices? Flat percent tax on each barrel of oil, and penalty tax for under production, is the only fair and equitable way!

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Matthew Erickson
Po Box 70335
Fairbanks 99707-0335
Email:look412_2001@hotmail.com

Constituent/**Non-Constituent** Saved/ **Not Saved**

Jerry Mccutcheon of Anchorage (23) wrote the following message On 3/1/2006 at 15:39 about *Oil & Gas*

Message:

Taxes before gasline contract, weird! Most of you know that Pedro vanMeurs said for Governor Murkowski in Anchorage that just because the oil companies sign a gasline contract the contract is not going to obligate the oil companies to construct a gasline.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Jerry Mccutcheon
Po Box 101838
Anchorage 99510-1838

Constituent/**Non-Constituent** Saved/ **Not Saved**

Jerry Mccutcheon of Anchorage (23) wrote the following message On 3/1/2006 at 15:43 about *Oil & Gas*

Message:

Why are you buying a pig in a poke when you are not allowed to even see the poke let alone the pig? What harm could it do to at least see the gasline contract?

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Jerry Mccutcheon
Po Box 101838
Anchorage 99510-1838

Constituent/**Non-Constituent** Saved/ **Not Saved**

Jerry Mccutcheon of Anchorage (23) wrote the following message On 3/1/2006 at 15:46 about *Oil & Gas*

Message:

The gasline contract contains provisions that allow the oil companies to just quit in 3 or 4 years after signing the gasline contract. After that they have to offer a reason like they do not think the gasline is in their best interest.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Jerry Mccutcheon
Po Box 101838
Anchorage 99510-1838

Constituent/**Non-Constituent** Saved/ **Not Saved**

Jerry Mccutcheon of Anchorage (23) wrote the following message On 3/1/2006 at 15:48 about *Oil & Gas*

Message:

Do you often buy pigs in pokes for your own business when you are not even allowed to see the poke? Then why are you conducting the States business in a manner that you would not tolerate in your own business.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Jerry Mccutcheon
Po Box 101838
Anchorage 99510-1838

Constituent/**Non-Constituent** **Saved**/ Not Saved
Stephen Conn of Seward (35) wrote the following message On 2/27/2006 at 14:58 about *Oil & Gas*

Message:
During your deliberations on the new tax structure, please discover what will motivate Exxon-Mobil to enter into settlement deliberations on Exxon Valdez? ASK EVERY COMPANY REPRESENTATIVE.

Message was delivered by Pom

View Case Delete case

Contact Info:
Stephen Conn
Po Box 1690
Seward AK, 99664-1690
Work:2246061
Home:2246061
Email:steveconn@hotmail.com

Alaska State Public Opinion Message System:

Rep Ralph Samuels's office

Filter applied is: All

Messages About HB 488

There are 7 messages about HB 488

Save all messages about HB 488

Delete all messages about HB 488

Sort messages by: District or Date or Last_Name or <Subject>

Messages

Constituent/**Non-Constituent** Saved/ **Not Saved**

Connie Ballow of Valdez (12) wrote the following message On 2/25/2006 at 11:06 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

I want the legislature to slow down and implement the public process for hearing HB488 and SB305. I'm outraged this bill was created behind closed doors. The public needs time to assess this bill point by point and then give you our opinion.

Message was delivered by Pom

The number of original recipients of this message is 27

Save case Delete case

Contact Info:

Connie Ballow

Po Box 2911

Valdez 99686-2911

Go to Main Menu | Go to Search Page

Constituent/Non-Constituent Saved/ **Not Saved**

Richard Ballow of Copper Center (12) wrote the following message On 2/25/2006 at 11:15 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

I want the legislature to slow down and implement the public process for hearing HB488 and SB305. I'm outraged this bill was created behind closed doors. The public needs time to assess this bill point by point and then give you our opinion.

Message was delivered by Pom

The number of original recipients of this message is 27

Save case Delete case

Contact Info:

Richard Ballow
PO Box 160
Copper Center 99573

Constituent/**Non-Constituent** Saved/ **Not Saved**

Thomas Patmor of Clam Gulch (34) wrote the following message On 2/27/2006 at 15:15 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

If a big company makes 10 billion dollars and are charged 2 billion taxes which they reinvest and so are thus charged nothing for the oil that year,decides to sell out to smaller satellite companies making less that 73 million, they still get the oil for nothing every year.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Thomas Patmor
Po Box 124
Clam Gulch 99568-0124

Constituent/**Non-Constituent** Saved/ **Not Saved**

Thomas Patmor of Clam Gulch (34) wrote the following message On 2/28/2006 at 12:14 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

Expecting oil companies to voluntarily pay their taxes doesn't always work, traditionally. We've just been paying millions for lawyers' fees trying to collect. If we charge them for the oil as soon as it's out of the ground, we'd have the money and they could apply to be reimbursed accordingly.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Thomas Patmor

Po Box 124

Clam Gulch 99568-0124

Constituent/Non-Constituent Saved/ Not Saved

William Phillips of Soldotna (33) wrote the following message On 3/6/2006 at 10:11 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

Under the one third to each oil monies idea, Alaska's share at current oil prices and production would be about 6.5 billions per year. Are we getting it?

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

William Phillips
35555 Spur Hwy # 294
Soldotna AK, 99669-7625
Email:wj_phillips@hotmail.com

Constituent/**Non-Constituent** Saved/ **Not Saved**

Charley Walton of Fairbanks (07) wrote the following message On 3/6/2006 at 12:05 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

Don't give up the farm on the oil production tax. There are still many questions unanswered that I have as well as the one's your asking. This lifeline is important to Alaskans and before we let any gas out of our state we should have a petrochemical plant with Railroad.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Charley Walton
1062 Steele Creek Rd
Fairbanks AK, 99712

Constituent/**Non-Constituent** **Saved**/ Not Saved

William Phillips of Soldotna (33) wrote the following message On 2/23/2006 at 10:53 In opposition of *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

The fact that big oil executives are pleased with the oil tax proposal has me paraphrasing a country song, big oil gets the gold mine and alaska gets the shaft. No deal is better than a bad deal.

Message was delivered by Pom

View Case Delete case

Contact Info:

William Phillips
35555 Spur Hwy # 294
Soldotna AK, 99669-7625
Email:wj_phillips@hotmail.com

Alaska State Public Opinion Message System:

Rep Ralph Samuels's office

Filter applied is: All

Messages About SB 305

There are 13 messages about SB 305

Save all messages about SB 305
Delete all messages about SB 305
Sort messages by: District or Date or Last_Name or <Subject>

Messages

Constituent/**Non-Constituent** **Saved**/ Not Saved
Russell Holmes of Anchorage (21) wrote the following message On 2/22/2006 at 15:58 In opposition of
SB 305 OIL AND GAS PRODUCTION TAX

Message:
Please oppose HB488 and SB305. It is a loss of tax revenues of hundreds of millions. Please oppose any bill related to taxes or anything to do with oil/gas contracts until there is a guarantee of a 100% all Alaskan pipe line and a supply to South Central.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:
Russell Holmes
5842 Jennifer Cir #2a
Anchorage 99504-4344
Email:rahrahrah@gci.net
day:339-0352

Go to Main Menu | Go to Search Page

Constituent/**Non-Constituent** **Saved**/ Not Saved
Kenneth Ambrosius of Palmer (16) wrote the following message On 2/26/2006 at 16:13 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:
RE: Governor's oil tax - make tax rate 25%, no standard deduction, no credit for investments already made. If producers claim gas pipeline is 'uneconomic' as result start negotiations with pipeline company that is already in pipeline business or with ANGDA. Don't let the Governor give too much away.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:
Kenneth Ambrosius
1005 N Witherspoon Rd.
Palmer AK, 99645-9510
Work:564-5139
Home:745-3860
Email:kcbrosus@mtaonline.net

Constituent/**Non-Constituent** **Saved**/ Not Saved
Charley Walton of Fairbanks (07) wrote the following message On 2/28/2006 at 09:17 In opposition of
SB 305 OIL AND GAS PRODUCTION TAX

Message:

Concerning Oil Production Tax: The governor starts with secret negotiations, all parties have come to a compromise pipeline agreement, two days later oil official testifies will discourage oil industry from working Alaska. If they don't like this tax bill then raise the taxes. Trouble paying my bills on their profits.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Charley Walton
1062 Steele Creek Rd
Fairbanks AK, 99712

Constituent/Non-Constituent **Saved**/ Not Saved

Albert Rothfuss of Copper Center (06) wrote the following message On 3/10/2006 at 12:56 about *Oil & Gas*

Message:

If we didn't allow Alyeska to lay off so many people, someone could be there to check the line instead of reading a guage. You can't replace a set of eyes for technology.

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Albert Rothfuss
Po Box 4
Copper Center AK, 99573-0004
Work:822-5367

Constituent/**Non-Constituent** **Saved**/ Not Saved

Burle Beard of Fairbanks (07) wrote the following message On 3/14/2006 at 10:30 about *Oil & Gas*

Message:

Remember our ferry in Vancouver? Do not vote for the gas pipeline through Canada. Putting a national resource in the hands of another is stupidity at its greatest.

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Burle Beard
1721 Moose Trl
Fairbanks AK, 99709-6617
Work:479-3640

Constituent/**Non-Constituent** **Saved**/ Not Saved

Lorne Smagge of Kenai (33) wrote the following message On 3/13/2006 at 10:32 In opposition of *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

and SB 305. We need to reconsider HB 488 & SB 305. In my opinion they are counter productive for the Cook Inlet Region. These two pieces of Legislation will effectively kill the life of Cook Inlet. ELF should be left alone under these conditions.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Lorne Smagge
Po Box 2326
510 Hemlock Ave
Kenai 99611
day:252-6972

Constituent/**Non-Constituent** **Saved**/ Not Saved
Loren Smagge of Kenai (33) wrote the following message On 3/13/2006 at 08:20 In opposition of *HB 488 OIL AND GAS PRODUCTION TAX*

Message:
We need to reconsider HB488 and SB305. In my opinion they are counter productive for the Cook Inlet region. These two pieces of legislation will effectively kill the life of Cook Inlet. ELF should be left alone under these current conditions.

Message was delivered by Pom
The number of original recipients of this message is 17

View Case Delete case

Contact Info:
Loren Smagge
PO Box 2326
Kenai 99611
Email:lsmagge@alaska.net

Constituent/**Non-Constituent** **Saved**/ Not Saved

Paul Delago Sr of Kenai (34) wrote the following message On 3/10/2006 at 14:33 In opposition of *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

The long term economic viability of the Cook Inlet oil fields is an important part of the state and local economy. Elimination of the ELF will significantly shorten the life of aging fields and jeopardize the future of many families living here. Thank you for your time.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Paul Delago Sr
46125 Spruce Pl
Kenai 99611
Email:delagpa@chevron.com

Constituent/**Non-Constituent** **Saved**/ Not Saved

Gregory Thorsell of Anchorage (32) wrote the following message On 3/13/2006 at 13:52 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

and SB 305. Please consider amending the PPT bill to exclude Cook Inlet. The Cook Inlet area fields are very mature and are necessary to support the majority of the State's population. This area needs incentives for development much more than dis-incentives like additional taxes.

Message was delivered by Pom

The number of original recipients of this message is 39

View Case Delete case

Contact Info:

Gregory Thorsell
14730 Park Hills Cir
Anchorage 99516
day:263-7642

Constituent/**Non-Constituent** **Saved**/ Not Saved

Paul Bartolowits of Clam Gulch (34) wrote the following message On 3/13/2006 at 14:40 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

This bill shouldn't include Cook Inlet. Chevron made a decision to invest 100,000,000 in Cook Inlet under current tax rules. This bill would change investment strategy. They pulled out when they were pushed over the Kenai refinery. It could happen again. An ugly event for Kenai Borough & State.

Message was delivered by Pom
The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Paul Bartolowits
Po Box 528
Clam Gulch 99568-0528
day:262-4945

Constituent/**Non-Constituent** **Saved**/ Not Saved

Paul Bartolowits of Clam Gulch (34) wrote the following message On 3/13/2006 at 14:42 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

This bill shouldn't include Coook Inlet. Chevron made a decision to invest $100,000,000 in Cook Inlet under current tax rules.Investment strategies would change. They pulled out when pushed over the Kenai Refinery. It could happen again. An ugly event for the Kenai Borough and the State.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Paul Bartolowits
Po Box 528
Clam Gulch 99568-0528
day:262-4945

Constituent/Non-Constituent **Saved**/ Not Saved

James Isham of Soldotna (34) wrote the following message On 3/14/2006 at 10:30 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

I strongly advise all House, Senate and Committee members to amend the PPT bill to exclude Cook Inlet from new taxes as this will impact my livelyhood.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

James Isham
Po Box 51
Soldotna 99669-0051
Email:sawadee@alaska.net

Constituent/Non-Constituent **Saved/** Not Saved

James Isham of Soldotna (34) wrote the following message On 3/14/2006 at 10:31 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

I strongly advise all House and Senate and Committee members to amend the PPT bill to exclude Cook Inlet from new taxes as this will impact my livelihood.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

James Isham
Po Box 51
Soldotna 99669-0051
Email:sawadee@alaska.net

Constituent/**Non-Constituent** **Saved**/ Not Saved

Charley Walton of Fairbanks (07) wrote the following message On 3/14/2006 at 07:48 In opposition of *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

Samuels tax proposal should start about $30 per barrel. You forget that the Legislature's wages go up and the poor humble people out here in the real world don't get any raises. The idea is to keep the price of oil down unless you are going to increase our PFD.

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Charley Walton
1062 Steele Creek Rd
Fairbanks AK, 99712

Constituent/**Non-Constituent** **Saved**/ Not Saved

Charley Walton of Fairbanks (07) wrote the following message On 3/14/2006 at 08:13 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

You should be taxing on gross profits - not net profits. After 25 billion dollar line there won't be any net profits. It's just the price of doing business - gross profits.

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Charley Walton
1062 Steele Creek Rd
Fairbanks AK, 99712

Constituent/Non-Constituent **Saved**/ Not Saved
David Birchfield of Soldotna (33) wrote the following message On 3/14/2006 at 08:34 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:
SB305 Cook Inlet contains mature oil/gas properties that cannot withstand additional tax. Any increase in Cook Inlet will negatively impact pending investments. My wife and I are life long Alaskan residents. We have raised three children here. I've worked for thirty years in Cook Inlet. Help protect our future. Thanks

Message was delivered by Pom
The number of original recipients of this message is 33

View Case Delete case

Contact Info:
David Birchfield
Po Box 442
Soldotna 99669-0442
Email:birchdr@ptialaska.net
day:262-1468

Constituent/**Non-Constituent** **Saved**/ Not Saved

David Cole of Anchorage (31) wrote the following message On 3/14/2006 at 09:04 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

and SB 305. This new petroleum profits tax bill should be amended to exclude the Cook Inlet Fields from new taxes. The Cook Inlet contains mature fields, both oil & gas, that cannot withstand additional taxes. Any increase in tax in Cook Inlet will negatively impact the investment climate.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

David Cole
2941 Capstan Dr
Anchorage 99516-3508
Email:dcole@chevron.com
day:263-7805

Constituent/**Non-Constituent** **Saved**/ Not Saved

James Isham of Soldotna (34) wrote the following message On 3/14/2006 at 12:04 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

I strongly advise all House and Senate and Committee Members to exclude Cook Inlet from new taxes as this will impact my livelyhood.

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

James Isham
Po Box 51
Soldotna 99669-0051
Email:sawadee@alaska.net

Constituent/Non-Constituent **Saved**/ Not Saved
David Buthman of Eagle River (17) wrote the following message On 3/14/2006 at 11:08 In opposition of *HB 488 OIL AND GAS PRODUCTION TAX*

Message:
and SB 305. Changing tax laws for the long lead time oil & gas activities is bad business. Just when Alaska is starting to boom, with fiscal terms similar to the lower 48 but with larger resources, the legislature wants to pull the rug and I get transferred out!

Message was delivered by Pom
The number of original recipients of this message is 17

View Case Delete case

Contact Info:
David Buthman
19503 Highland Ridge Dr
Eagle River 99577-8595
Email:davebuthman@gci.net
day:263-7699

Constituent/**Non-Constituent** **Saved**/ Not Saved

William Phillips of Soldotna (33) wrote the following message On 3/14/2006 at 09:15 about *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

Ignore Conoco-Phillips tax whine ads. Big oil is being shut out of other countries as those countries take over control of their own oil. If Conoco-Phillips wants to leave, there will be plenty of others to take their place.

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

William Phillips
35555 Spur Hwy # 294
Soldotna AK, 99669-7625
Email:wj_phillips@hotmail.com

Constituent/**Non-Constituent** **Saved**/ Not Saved

James Isham of Soldotna (34) wrote the following message On 3/14/2006 at 10:33 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:

I strongly adivse all House, Senate and Committee members to amend the PPT bill to exclude Cook Iniet from new taxes as this will impact my livelyhood.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

James Isham
Po Box 51
Soldotna 99669-0051
Email:sawadee@alaska.net

Constituent/**Non-Constituent** **Saved**/ Not Saved
Paul Bartolowits of Clam Gulch (34) wrote the following message On 3/13/2006 at 14:47 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:
This bill shouldn't include Cook Inlet. Chevron made a decisic.. to invest 100,000,000 in Cook Inlet under current tax rules. This bill would change investment strategy. They pulled out when they were pushed over the Kenai refinery. It could happen again. An ugly event for Kenai Borough & State.

Message was delivered by Pom
The number of original recipients of this message is 17

View Case Delete case

Contact Info:
Paul Bartolowits
Po Box 528
Clam Gulch 99568-0528
day:262-4945

Constituent/Non-Constituent **Saved**/ Not Saved
Janet Nelson-dormady of Kenai (33) wrote the following message On 3/13/2006 at 15:04 In opposition of *SB 305 OIL AND GAS PRODUCTION TAX*

Message:
and HB 488.These bills provide no incentives for energy companies to invest in Cook Inlet and will have an adverse affect on the Kenai Peninsula economy and the State. Do not change the tax base on the oil and gas properties in the State. NO NEW Taxation On The Industry.

Message was delivered by Pom
The number of original recipients of this message is 17

View Case Delete case

Contact Info:
Janet Nelson-dormady
1507 Fathom Dr
Kenai 99611-7914
Email:dormady2@acsalaska.net

Constituent/**Non-Constituent** **Saved**/ Not Saved

Paul Bartolowits of Clam Gulch (34) wrote the following message On 3/13/2006 at 15:26 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:

and HB488 shouldn't include Cook Inlet. Chevron made a decision to invest 100,000,000 in Cook Inlet under current tax rules. This bill would change investment strategy. They pulled out when they were pushed over the Kenai refinery. It could happen again. An ugly event for Kenai Borough and State.

Message was delivered by Pom
The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Paul Bartolowits
Po Box 528
Clam Gulch 99568-0528
day:262-4945

Constituent/**Non-Constituent** **Saved**/ Not Saved
Ralph Affinito of Anchorage (32) wrote the following message On 3/13/2006 at 16:55 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:
The PPT bill should be amended to exclude the Cook Inlet from new taxes but still have incentives to initiate new exploration and development.

Message was delivered by Pom
The number of original recipients of this message is 17

View Case Delete case

Contact Info:
Ralph Affinito
5436 Woodshire Cir
Anchorage 99516

Constituent/**Non-Constituent** **Saved**/ Not Saved

Lee Tanner of Kenai (33) wrote the following message On 3/13/2006 at 14:12 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:

and HB 488. The PPT bill should be amended to EXCLUDE the Cook Inlet from new taxes while still providing incentives to spur additional investments in the Cook Inlet area.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Lee Tanner
PO BOX 1678
Kenai 99611
Email:tannerl@cheveron.com
day:776-6825

Constituent/**Non-Constituent** **Saved**/ Not Saved

Philip Bindon of Wasilla (15) wrote the following message On 3/13/2006 at 14:19 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:

and HB 488. The PPT bill should be amended to exclude the Cook Inlet from new taxes while still providing incentives to spur additional investment in the Cook Inlet area.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Philip Bindon
2390 Cranberry
Wasilla 99654
day:350-1822

Constituent/**Non-Constituent** **Saved**/ Not Saved

Martha Henderson of Anchorage (27) wrote the following message On 3/13/2006 at 14:22 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:

and HB 488. The PPT bill should be amended to exclude the Cook Inlet from new taxes while still providing incentives to spur additional investment in the Cook Inlet area.

Message was delivered by Pom

The number of original recipients of this message is 18

View Case Delete case

Contact Info:

Martha Henderson
7501 Setter Dr
263-7665
Anchorage 99502

Constituent/**Non-Constituent** **Saved**/ Not Saved

Jeffrey Smetanka of Anchorage (32) wrote the following message On 3/14/2006 at 11:32 about *SB 305 OIL AND GAS PRODUCTION TAX*

Message:

and HB 488. The PPT bill should be amended to exclude the Cook Inlet from new taxes while still providing incentives to encourage additional investment in the area.

Message was delivered by Pom

The number of original recipients of this message is 17

View Case Delete case

Contact Info:

Jeffrey Smetanka

5124 Cape Seville Dr

Anchorage 99516

Email:jeff.smetanka@acsalaska.net

day:263-7622

Jane Pierson

From: LIO Fairbanks
Sent: Monday, March 13, 2006 7:32 AM
To: Jane Pierson
Subject: FW: House Resource Committee Bill 488
Attachments: 64669.jpg; ATT1193645.txt

One more ---

From: Alice Reeves [mailto:ar3753@mosquitonet.com]
Sent: Fri 3/10/2006 4:13 PM
To: undisclosed-recipients
Subject: House Resource Committee Bill 488

I would like to able to trust my governor to get the best deal for the people, but Governor Jay Hammond broke me from handing out blank checks.
Our governor is good at playing politics with the" Big Boys" in Washington, but I am afraid when it comes to dealing with the Big Oil Companies that he is out of his league.
The oil companies have the best lawyers that money can buy and they are not above lying to get what they want.
I would like to see how the gas pipeline is being tied into this, before supporting the bill.
Legislator Ralph Seekins has copies of lies taken right out of Atlantic Richfield's folders (ARCO), where they promised they would never block the public except in section 4 on the 510 acres that they purchased from DNR. I am sure he would share them with you.
If you don't have a copy of "Alaska Agonistes" by Joe E. LaRocca I suggest you get it and read it. he exposes the crooked deals of the oil companies and our past governors.
I have clipping from the Fairbanks News Miner sent from Juneau News paper on march the 22nd 1969 that I would like to share with you. Then I found the Joe LaRocca had used it on the inside cover of his book and he says it best.

One of Alaska's most revered political figures uncannily foretold this sad state of affairs more than 30 years ago. At a meeting of the Senate Resources Committee on March 22, 1969 considering a bill which would retain a long-standing policy of non-competitive oil and gas leasing in Alaska in the face of efforts to repeal it, State Senator John Butrovich, in support of the bill, which he sponsored, prophetically declaimed: "The majors are going to own the whole damned state. You'll rue the day. The majors will own you. They have no soul...robber barons don't change." His warning was ignored, and "Butro," who died in 1997, lived long enough to see his prophecy fulfilled.

Constituent/**Non-Constituent** **Saved**/ Not Saved
Wilfred Blais Sr of Delta Junction (06) wrote the following message On 3/9/2006 at 09:33 about *Miscellaneous*

Message:

Add increased oil taxes to govenors bill if oil companies do not proceed with gas line in a timely manner. make increase retroactive. They afterall are trying to hold us hostage to the oil tax bill with the gas line.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Wilfred Blais Sr
Po Box 473
Delta Junction 99737-0473
Email:luckylynn@wildak.net

Constituent/**Non-Constituent** Saved/ **Not Saved**

William Phillips of Soldotna (33) wrote the following message On 3/9/2006 at 10:06 In opposition of *HB 488 OIL AND GAS PRODUCTION TAX*

Message:

CONCO Phillips purchased Canadian and lower 48 gas producer Burlington Resources. They don't need AK natural gas now. Frank has been dazzled by big oil BS into an oil tax scheme big oil can manipulate to their benefit. Not Alaska's.

Message was delivered by Pom

The number of original recipients of this message is 60

Save case Delete case

Contact Info:

William Phillips
35555 Spur Hwy # 294
Soldotna AK, 99669-7625
Email:wj_phillips@hotmail.com

Constituent/**Non-Constituent** **Saved**/ Not Saved
James Wright of Cantwell (08) wrote the following message On 3/9/2006 at 07:29 about *Taxation*

Message:
It is said that figures never lie, but that liars figure. Such a deal, taxing net profit. I wish my Federal Income Tax was based on my net profit. I visualize oil companies dancing with glee. Tax oil-gas production, not managed net profits. Play safe, don't gamble with Alaskas future.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:
James Wright
Po Box 9
Mile 131.5 Denali Highway
Cantwell AK, 99729-0009
Work:(907) 768-2434
Email:akflier@hotmail.com

Constituent/**Non-Constituent** Saved/ **Not Saved**

Charley Walton of Fairbanks (07) wrote the following message On 3/9/2006 at 11:00 In opposition of
HB 488 OIL AND GAS PRODUCTION TAX

Message:

I have been keeping up on the Oil Production Tax on Gavel to Gavel. Murkowski is trying to give away too much. The consultants even agree. No to big oil running Alaska. Thank you.

Message was delivered by Pom
The number of original recipients of this message is 60

Save case Delete case

Contact Info:

Charley Walton
1062 Steele Creek Rd
Fairbanks AK, 99712

Constituent/Non-Constituent **Saved**/ Not Saved

Lapriel Stephan of Anchorage (29) wrote the following message On 3/15/2006 at 15:09 about *Oil & Gas*

Message:

Can't you ever leave well enough alone. Keep the 20% agreement as Governor Murkowski negotiated it. Stop being so greedy. We need a gas pipeline. Thank-you

Message was delivered by Pom

View Case Delete case

Contact Info:

Lapriel Stephan
Po Box 112114
Anchorage AK, 99511-2114

Constituent/**Non-Constituent** **Saved**/ Not Saved

Patricia Stark of Fairbanks (07) wrote the following message On 3/15/2006 at 08:55 about *Oil & Gas*

Message:

Please alter the governor's oil tax plan. I think a higher percentage would be good. And the provision where if oil goes above say $70 a barrel, the State can raise the tax. This way we would not be stuck with a low tax when oil prices are high.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Patricia Stark
Po Box 82525
Fairbanks 99708-2525
Email:pstark@mosquitonet.com

Constituent/**Non-Constituent** **Saved**/ Not Saved
Roger Davis of Homer (35) wrote the following message On 3/14/2006 at 16:27 about *Taxation*

Message:
A "maximum benefit" on resource extraction for the people of this state is a constitutional requirement. To let the Oil "Overlords" dictate what they are willing to pay is to take the power of taxation from the people and hand it to the extractors...a constitutional violation.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:
Roger Davis
3817 Bartlett St
Homer 99603
Email:rogerdavis@gci.net
day:235 5650
eve:235 5650
organization:god&country

Constituent/**Non-Constituent** **Saved**/ Not Saved
Roger Davis of Homer (35) wrote the following message On 3/14/2006 at 16:58 about *Taxation*

Message:
To "low ball" the tax on nonrenewable resources to satisfy the Oil "Overlords" and their investors, while being threaten by them of going else where...is black mail. The generations of Alaskan children to come are the investors of consequence, the ones the legislature should be protecting.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:
Roger Davis
3817 Bartlett St
Homer 99603
Email:rogerdavis@gci.net
day:235 5650
eve:235 5650
organization:god&country

Constituent/**Non-Constituent** **Saved**/ Not Saved

Roger Davis of Homer (35) wrote the following message On 3/14/2006 at 17:04 about *Taxation*

Message:

Don't let the "Greed" of the present steal from the future, leave something for the children of tomorrow. The Alaskan Constitution says that the source of government is founded upon the will of the people only...it says nothing about the will of the Oil "Overlords".

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Roger Davis
3817 Bartlett St
Homer 99603
Email:rogerdavis@gci.net
day:235 5650
eve:235 5650
organization:god&country

Constituent/**Non-Cons…uent** **Saved**/ Not Saved
Roger Davis of Homer (35) wrote the following message On 3/14/2006 at 21:41 about *Taxation*

Message:
The Oil "Overlord's" latest ad has one of their hired hands stating, "raising their tax shows that the state does not appreciate their investment"...this from a industry that has made billions in profit from Alaskans while paying the least amount of taxes compared to anywhere else in the world.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:
Roger Davis
3817 Bartlett St
Homer 99603
mail:rogerdavis@gci.net
ay:235 5650
eve:235 5650
organization:god&country

Constituent/**Non-Constituent** **Saved**/ Not Saved

Roger Davis of Homer (35) wrote the following message On 3/14/2006 at 22:00 about *Taxation*

Message:

The Oil "Overlords" are well able to take care of themselves, the Alaska legislature constitutional obligation is to the people of this state. One gets the impression that the "Overlords" idea of appreciation is the kissing of their backside while their "shills" are working out how to continue the "screwing".

Message was delivered by Pom

The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Roger Davis
3817 Bartlett St
Homer 99603
Email:rogerdavis@gci.net
day:235 5650
eve:235 5650
organization:god&country

Constituent/**Non-Constituent** **Saved**/ Not Saved

Michael States of Fairbanks (09) wrote the following message On 3/15/2006 at 13:44 In opposition of
HB 488 OIL AND GAS PRODUCTION TAX

Message:

Republicans will be replaced if they do the Murkowski deal, or any variation of it. Gas Line and Oil Taxes are separate issues. Raise the taxes. Tax the gas in the ground.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Michael States
Po Box 81485
Fairbanks 99708-1485

Constituent/**Non-Constituent** **Saved**/ Not Saved

Michael States of Fairbanks (09) wrote the following message On 3/15/2006 at 13:40 In opposition of
HB 488 OIL AND GAS PRODUCTION TAX

Message:

I am a 40-year-Alaskan and conservative Republican who always votes. Do NOT go anywhere near Murkowski's tax or gasline deal. Throw it out the window. Start over again. The Oil Companies are laughing at you. Well they should.

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:

Michael States
Po Box 81485
Fairbanks 99708-1485

Constituent/**Non-Constituent** **Saved**/ Not Saved
Michael States of Fairbanks (09) wrote the following message On 3/15/2006 at 13:47 In opposition of
SB 305 OIL AND GAS PRODUCTION TAX

Message:
Do not spend a penny on Murky's P.R. campaign!!! We are watching you! Put excess money into the Perm Fund for rainy days. Don't spend it all! Mike States

Message was delivered by Pom
The number of original recipients of this message is 60

View Case Delete case

Contact Info:
Michael States
Po Box 81485
Fairbanks 99708-1485

Maxine Blake

From: Margo Waring [margowaring@ak.net]
Sent: Thursday, March 16, 2006 10:13 AM
To: Rep. Ralph Samuels; Rep. Jay Ramras; Rep. Paul Seaton; Rep. Kurt Olson; Representaive_James_Elkins@legis.state.ak.us; Rep. Mary Kapsner; Rep. Carl Gatto; Rep. Gabrielle LeDoux; Rep. Harry Crawford
Cc: Rep. Beth Kerttula
Subject: oil taxation

lives in Jnu

To House Resources Committee:

I am writing regarding oil tax proposals. I know that the oil companies are saying that Governor Murkowski's proposal is in line with what the companies have historically paid in Alaska production taxes. I haven't looked at the numbers to know if this is true or not. But I do know that the numbers you should be looking at are what they would have been paying if Governor Hammond had not changed the ELF. He had been taken in by the industry's claims, but Gov. Hammond publicly acknowledged that this was the biggest mistake of his career, depriving Alaska of revenues it deserved.
Please don't make the same mistake.

I support the 30%, no investment credits (made at a time of exceptionally large industry profits) and the proposed sliding scale, but with no cap.
Oil and gas resources belong to the people of Alaska and you are sworn to not give these away to private interests.

The industry always poor mouths and claims fair taxes will limit their ability to do business in Alaska. But the truth of the situation is that they make profits at anything above $10 per barrel (independent analyst, Richard Fineberg). We are in the new era of "peak oil", that is, worldwide production is in decline. Each remaining barrel brings an increasingly higher price, because demand is increasing worldwide.

Sincerely,
Margo Waring

Alaska State Legislature

Sent 3-14-06 SREA

MAR 16 2006

Please enter into the record my testimony to the House Resource
committee name

committee on HB 488, dated 3-14-06.
bill/subject

Subject: Elimination of ELF

Sirs,
As you well know, the Cook Inlet oil fields are very mature and extremely challenging to operate in a manor that is profitable enough to out weigh the risks involved. My families as well as thousands of people in the Cook Inlet region rely heavily on the long term economic viability of this field. Elimination of the ELF without a doubt will significantly shorten the life of this field and cause more harm than good to the State of Alaska.

Chevron

Paul Delago
Production Foreman
Unocal Alaska Business Unit
Trading Bay Production Facility
907-776-6855
Monopod Platform
907-776-6672
Cell 398-9943

Signed: ______________________
Testifier

____
Representing (Optional)

____
Address

____
Phone No.

✓

LIO Fairbanks

From: Len Osimowicz [LenO@fcmhc.org] **Sent:** Fri 3/10/2006 10:18 AM

To: LIO Fairbanks

Cc:

Subject: oil taxation system

Attachments:

Please consider a progressive tax. Listen to the oil consultants you hired and not the "big oil companies"

Thanks

Len Osimowicz

LIO Fairbanks

From: Mary and Tim [yetna@acsalaska.net] **Sent:** Fri 3/10/2006 9:44 AM
To: LIO Fairbanks
Cc:
Subject: Overhaul of Oil Tax
Attachments:

To whom it may concern,

It is impossible to make a decision without making all the information available to those making the decision. This seems to be the position the governor is putting the legislators in by keeping the details of the gas pipeline deal secret and asking the legislators to pass a change in the way the state receives its revenue from the oil industry.

Any decisions made by the legislators and the governor today will affect the residents of this state and the economic well being of the state for years to come. Why would a governor who should have those concerns as the elemental driving force of his administration (after all he is a pub _ SERVANT) place the electorate and the legislators in a position of limited knowledge? It seems something is amiss here and the legislators should stand strong and demand disclosure.

Thank you for considering my comments,
Mary A. Calmes

LIO Fairbanks

From: Mike Hersey [kicksaver@acsalaska.net] **Sent:** Thu 3/9/2006 11:22 PM
To: LIO Fairbanks
Cc: Tom Brice Jr.
Subject: Oil and gas legislation
Attachments:

Since Gov. Murkowski is rated at the bottom of the list of governors in the United States and has already acted like a bull in the china cabinet why don't we let his term expire before we make any long term deal with the BIG THREE. We have waited many years for this deal and the gas is becoming harder to find. We will not lose an opportunity, and if we do it may be better than making a deal without knowing what you are signing off on. If you were my lawyers, you would not be signing any agreement that you didn't read and fully understand. Murkowski has nerve even suggesting that we should take his word for anything. mike hersey

3982 lancelot dr.
North Pole Ak. 99705

LIO Fairbanks

From: Robert Perry [robert_perry@dot.state.ak.us] **Sent:** Fri 3/10/2006 8:49 AM
To: LIO Fairbanks
Cc:
Subject: HB 488
Attachments:

The proposed legislation does not address the appropriate reembursement for what the oil companies extract from the ground. A flat rate per barrel taken at the well head and take the accountants out of the mix makes accountability fair and just for both parties involved. Operating expenses can be monipulated, but flat rate per barrel as it is taken out of Alaskan soil makes for a friendly business relationship with large and small producers. Simplicity should be our goal so that everyone knows what is expected.

Robert Perry

LIO Fairbanks

From:	Wendee Colette [wendee.colette@chugach-ak.com]	**Sent:**	Fri 3/10/2006 11:05 AM
To:	Fairbanks_LIO@legis.state.ak.us.		
Cc:			
Subject:	House Bill 488		
Attachments:			

I think the tax bill should NOT be linked to the gas line. I feel that Gov. Murkowski can not be trusted to do what is right for Alaskans and the mere fact he is trying to push this through merits a closer look. Slow down, give us all a chance to get up to speed on what is truly going on before we are forced to vote on it.

Wendee Colette
907-452-4811
fax 907-456-2875

You forwarded this message on 3/10/2006 1:15 PM.

LIO Fairbanks

From: Ken Larson [larson_ken@hotmail.com] **Sent:** Fri 3/10/2006 12:41 PM
To: LIO Fairbanks
Cc:
Subject: Statement FOR Increasing Oil Taxes
Attachments:

Ken & Maria Larson
1074 Eliz Street
North Pole, AK 99705
(907) 488-2960
Email: larson_ken@hotmail.com

REF: Overhaul of the State's Oil Taxation System

Gentlefolk of the House Resources Committee:

Thank you for this oppurtunity to express my concern about Governor Murkowski's proposed Oil Tax Bill. His actions prior to formally introducing his Oil Tax Bill surely indicates his close ties to the Big Oil companies! It's obvious the oil companies are calling his shots even more so than they were for VP Dick Cheney, and you see what happened to him! This is doing a disservice to the State of Alaska! Let's face it, **Alaska is a SUPER GOOD DEAL for the oil companies** and they know it!

I have been following UAF's Prof. Doug Reynolds' oil tax analysis books and articles fairly closely and have to say I agree with most of what he says. As he said in his 5 Mar 06 News-Miner Article, **the oil companies' "...earnings based on price rises are not due to skill or hard work but due to world events and marketplace forces. There is no reason to reward oil companies for OPEC-induced price changes."** The Guv's proposed 20% tax rate on net profits and 20% deduction on capital expenses is supposed to yield an effective profits tax of about 60% according to the various experts. This compares rather poorly to the rest of the world where many countries have an effective profits tax of 80%. As a result I strongly support Doug Reynolds' idea of a Progressive Tax Rate when high prices generate progressive revenues.

Go ahead and establish a 25% profit tax rate/20% deduction or something close to that now while Oil is around $60/barrel, and include a GDP-indexed inflation rate. But when, not if, the price of oil starts climbing and hits a pre-determined threshold, like $75/barrel, then start the super-progressive tax. So, once the gas and oil prices rise above the threshold, then the progressive tax rate increases kick in. For example, add a 1% increase for every 10% the price increases up to some pre-determined maximum, like 100%. So at $75 the law becomes 26/20, at $82.50, 27/20, and so on. There has also got to be some monitoring measures put in place to keep the Oil Companies from just continuing to pass on these taxes to the consumers as they have in the past.

The oil companies have been manipulating us folks for years and we all know it, and have accepted it because of our demand-created reliance on oil products. They have not been very active in creating new energy efficient products or new fuel types since there is so much money to be made in oil. Their competition is all but non-existant (if not collusive) and they retain oil and gas in the ground to help manipulate prices to their best profit advantage. That's why the other Bill being considered for action to Tax the undeveloped Natural Gas in the ground just makes a whole lot of sense to me. **I feel great outrage at how the world oil companies manipulate us and we just keep accepting their self serving pronouncements and control of our elected officials through Lobbying and Campaign Contributions!**

I guess I would feel a little more sympathetic toward the oil companies if their profits were not so OBSCENE and obviously following the same price run-up scenario that occurred in the early 1970's prior to the Alaska Oil Pipeline being built. What part of history repeating itself don't we understand? It would also help if Exxon would just pay their Exxon Valdez fine, which they've held in escrow for years, and quit paying the lawyers to obfuscate the process! The oil companies' threats to leave the State if they can't continue receiving these obscene profits by using Alaskan's resources need to be ignored. **Alaska needs to collect part of the windfall profits the oil companies keep reaping through no extraordinary efforts of their own**! If the present oil companies don't want to play fair then Alaska needs to sell their leases to someone else who will develop the products.

Thank you,

Ken & Maria Larson

BILL ID: HB 488/SB 305

"An Act repealing the oil production tax and gas production tax and providing for production tax on the ~~net~~taxable value of oil and gas; relating to the relationship of the production tax to other taxes; relating to the dates tax payments and surcharges are due under AS 43.55; relating to interest on overpayments under AS 43.55; relating to the treatment of oil and gas production tax in a producer's settlement with the royalty owner; relating to flared gas, and to oil and gas used in the operation of a lease or property, under AS 43.55; relating to the prevailing value of oil or gas under AS 43.55; providing for tax credits against the tax due under AS 43.55 for certain expenditures, losses, and surcharges; relating to statements or other information required to be filed with or furnished to the Department of Revenue, and relating to the penalty for failure to file certain reports, under AS 43.55; relating to the powers of the Department of Revenue, and to the disclosure of certain information required to be furnished to the Department of Revenue, under AS 43.55; relating to criminal penalties for violating conditions governing access to and use of confidential information relating to the oil and gas production tax; relating to the deposit of money collected by the Department of Revenue under AS 43.55; relating to the calculation of the gross value at the point of production of oil or gas; relating to the determination of the ~~net~~taxable value of taxable oil and gas for purposes of a production tax on the ~~net~~taxable value of oil and gas; relating to the definitions of 'gas,' 'oil,' and certain other terms for purposes of AS 43.55; making conforming amendments; and providing for an effective date."

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

* **Section 1.** The uncodified law of the State of Alaska is amended by adding a new section to read:

INTENT OF SEC. 11 OF THIS ACT. It is the intent of the legislature through sec. 11 of this Act to confirm by clarification the long-standing interpretation of AS 43.55.020(f) by the Department of Revenue.

* **Sec. 2.** AS 43.20.031(c) is amended to read:
(c) In computing the tax under this chapter, the taxpayer is not entitled deduct any taxes based on or measured by net income. **The taxpayer may deduct the tax levied and paid under AS 43.55.**

* **Sec. 3.** AS 43.20.072(b) is amended to read:
(b) A taxpayer's business income to be apportioned under this section to the state shall be the federal taxable income of the taxpayer's consolidated business for the tax period, except that

(1) taxes based on or measured by net income that are deducted in the determination of the federal taxable income shall be added back; **the tax levied and paid under AS 43.55 may not be added back;**

(2) intangible drilling and development costs that are deducted as expenses under 26 U.S.C. 263(c) (Internal Revenue Code) in the determination of the federal taxable income shall be capitalized and depreciated as if the option to treat them as expenses under 26 U.S.C. 263(c) (Internal Revenue Code) had not been exercised;
(3) depletion deducted on the percentage depletion basis under 26 U.S.C. 613 (Internal Revenue Code) in the determination of the federal taxable income shall be recomputed and deducted on the cost depletion basis under 26 U.S.C. 612 Internal Revenue Code); and
(4) depreciation shall be computed on the basis of 26 U.S.C. 167(Internal Revenue Code) as that section read on June 30, 1981.

* **Sec. 4**. AS 43.05.230(f) is amended to read:
(f) A willful violation of the provisions of this section **or of a condition imposed under AS 43.55.040(1)(B)** is punishable by a fine of not more than $5,000, or by imprisonment for not more than two years, or by both.

* **Sec. 5**. AS 43.55.011(a) is repealed and reenacted to read:
(a) There is levied upon the producer of oil or gas a tax for all oil and gas produced each month from each lease or property in the state, less any oil and gas the ownership or right to which is exempt from taxation. The tax is equal to 20 percent of the ~~net~~ taxable value of the taxable oil and gas as calculated under AS 43.55.160. [AOGA anticipates proposed language by ASRC will be adopted regarding AS 43.55.014]

* **Sec. 6**. AS 43.55.017(a) is amended to read:
(a) Except as provided in this chapter, the taxes imposed by this chapter are in place of all taxes now imposed by the state or any of its municipalities, and neither the state nor a municipality may impose a tax upon

(1) producing oil or gas leases;
(2) oil or gas produced or extracted in the state;
(3) the value of intangible drilling and **development costs, as defined in 26 U.S.C. 263(c) (Internal Revenue Code), as amended through January 1, 1974** [EXPLORATION EXPENSES].

* **Sec. 7**. AS 43.55.020(a) is repealed and reenacted to read:
(a) The production tax on oil and gas shall be paid as set out in this subsection. Ninety percent of the tax levied under AS 43.55.011, net of any credits applied under this chapter, is due on the last day of each calendar month on oil and gas produced from each lease or property during the preceding month. The remaining portion of the tax levied under AS 43.55.011, net of any credits applied under this chapter, is due on March 31 of the year following the calendar year during which the oil and gas were produced. An unpaid amount of tax that is not paid when due in accordance with this subsection becomes delinquent. An overpayment of tax with respect to a month may be applied against the tax due for any later month. Notwithstanding any contrary provision of

AS 43.05.280, interest on an overpayment is allowed only from a date that is 90 days after the later of (1) the March 31 described in this subsection; or (2) the date that the statement required under AS 43.55.030(a) and 43.55.030(e) to be filed on or before that March 31 is filed. However, interest is not allowed if the overpayment was refunded within the 90-day period.

* **Sec. 8.** AS 43.55.020(b) is amended to read:
(b) The production tax on oil **and** [OR] gas shall be paid by or on behalf of the producer.

* **Sec. 9.** AS 43.55.020(d) is amended to read:
(d) In making settlement with the royalty owner **with respect to oil or gas that is taxable under AS 43.55.011,** the producer may deduct the amount of the tax paid on **taxable** royalty oil **and** [OR] gas, or may deduct **taxable** royalty oil or gas equivalent in value at the time the tax becomes due to the amount of the tax paid. **Unless otherwise agreed between the producer and the royalty owner, the amount of the tax paid under AS 43.55.011(a)on taxable royalty oil and gas for a month is deemed to be the product of**

(1) the ~~quantity~~ -taxable value under AS 43.55.160 of that taxable royalty oil and gas produced during the month; times

(2) the quotient of

(A) the producer's total tax liability for the month of production under AS 43.55.011, divided by

(B) the taxable value under AS 43.55.160 of the producer's total quantity of taxable oil and gas, including taxable ~~other than~~ royalty oil and gas taxed under AS 43.55.011(a) [AOGA anticipates proposed language by ASRC will be adopted regarding AS 43.55.014]**, produced from all leases and properties in the state during the month~~. For purposes of the product calculated under this subsection, 6,000 cubic feet of gas are considered to be equivalent in amount to one barrel of oil~~.**

* **Sec. 10.** AS 43.55.020(e) is repealed and reenacted to read:
(e) Gas flared, released, or allowed to escape in excess of the amount authorized by the Alaska Oil and Gas Conservation Commission is considered, for the purpose of AS 43.55.011 - 43.55.160, as gas produced from a lease or property. Oil or gas used in the operation of a lease or property in the state in drilling for or producing oil or gas, or for repressuring, except to the extent determined by the Alaska Oil and Gas Conservation Commission to be waste, is not considered, for the purpose of AS 43.55.011 - 43.55.160, as oil or gas produced from a lease or property.

* **Sec. 11.** AS 43.55.020(f) is amended to read:
(f) If oil or gas is **not sold, or if oil or gas is** sold under circumstances where the sale price does not represent the prevailing value for oil or gas of like kind, character, or quality in the field

or area from which the product is produced, the department may require the tax to be paid upon the basis of the value of oil or gas of the same kind, quality, and character prevailing during the calendar month of production for that field or area.

Sec. 12. AS 43.55 is amended by adding a new section to read:
Sec. 43.55.024. Tax credits for certain losses and expenditures. (a) Notwithstanding that a qualified capital expenditure may be a deductible lease expenditure for purposes of calculating the ~~net~~taxable value of oil and gas under AS 43.55.160(a), a producer or explorer that incurs a qualified capital expenditure may also elect to take a tax credit in the amount of 20 percent of that expenditure, unless a credit for that expenditure is taken under AS 43.55.025. A credit under this subsection may be applied ~~only~~ against any state tax due under AS 43.55.011 - 43.55.160 or AS 43.20, provided the total amount of credit applied does not exceed the amount of the credit under this subsection. ~~Only f~~For a calendar year for which the producer makes an election under AS 43.55.160(f), a producer that incurs a qualified capital expenditure during that year and that wishes to apply a credit based on that expenditure against a tax due under AS 43.55.011 - 43.55.160 shall calculate and apply every month an annualized tax credit in an amount equal to one and two-thirds percent of the total qualified capital expenditures incurred during that year and for which the tax credit is taken for that year, instead of taking a tax credit of 20 percent of each separate qualified capital expenditure after it has been incurred.

(b) A producer may elect to take a tax credit in the amount of 20 percent of a carried-forward annual loss. A credit under this subsection may be applied only against a tax due under AS 43.55.011 - 43.55.160. For purposes of this subsection, a carried-forward annual loss is the amount of a producer's adjusted lease expenditures under AS 43.55.160 for a previous calendar year that was not deductible in any month under AS 43.55.160(a) and (b).

(c) A credit under this section may not be used to reduce a person's tax liability under AS 43.55.011- 43.55.160 for any month below zero; any portion of a credit not used for that reason may be applied in a later month.

(d) A person entitled to take a tax credit under this section that wishes to transfer the unused credit to another person may apply to the department for a transferable tax credit certificate. An application under this subsection must be on a form prescribed by the department and must include supporting information and documentation that the department reasonably requires. The department shall either grant or deny an application, or grant it as to a lesser amount than that claimed and deny it as to the excess, no later than 60 days after the latest of (1) March 31 of the year following the calendar year in which the qualified capital expenditure or carried-forward annual loss for which the credit is claimed was incurred; (2) if the applicant required under AS 43.55.030(a) and 43.55.030(e) to file a statement on or before the March 31 described in (1) of this subsection, the date the statement was filed; or (3) the date the application was received by the department. If, based on the information then available to it, the department is reasonably satisfied that the applicant is entitled to a tax credit, the department shall issue the applicant a transferable tax credit certificate for the amount of the credit. A certificate issued under this subsection does not expire.

(e) A person to which a transferable tax credit certificate is issued under (d) of this section may transfer the certificate to another person, and a transferee may further transfer the certificate. Subject to the limitations set out in (a) - (c) of this section, and notwithstanding any action the department may take with respect to the applicant under (f) of this section, the owner of a certificate may apply the credit or a portion of the credit shown on the certificate only against a tax due under AS 43.55.011 -43.55.160 or AS 43.20. ~~However, credits shown on transferable tax credit certificates may not be applied so as to reduce a producer's total tax due under AS 43.55.011 - 43.55.160 on oil and gas produced during a calendar year to less than 80 percent of the tax that would otherwise be due without applying those credits.~~ Any portion of a credit not used ~~for that reason~~ may be applied in a later period.

(f) The issuance of a transferable tax credit certificate under (d) of this section does not limit the department's ability to later investigate or audit a tax credit claim to which the certificate relates or to adjust or deny the claim if the department determines that the applicant was not entitled to the amount of the credit for which the certificate was issued. The tax liability of the applicant under AS 43.55.011 -.55.160 is increased by the amount of the credit that is in excess of that to which the applicant was entitled. That amount bears interest under AS 43.05.225 from the date the transferable tax credit certificate was issued. For purposes of this subsection, and applicant that is an explorer is considered a producer subject to the tax levied under AS 43.55.011.

(g) The department may adopt regulations to carry out the purposes of this section, including prescribing reporting, record-keeping, and certification procedures and requirements for purposes of verifying the accuracy of credits claimed and insuring that a credit is not used more than once, and otherwise implementing this section.

(h) For purposes of this section,

(1) "explorer" has the meaning given in AS 43.55.025(k);

(2) "qualified capital expenditure"

(A) means, except as otherwise provided under (B) of this paragraph, an expenditure that is a lease expenditure under AS 43.55.160 and is

(i) incurred for geological or geophysical exploration, including associated staff and support costs for analysis and interpretation of the data; or

ii) treated as a capitalized expenditure under 26 U.S.C. (Internal Revenue Code), as amended, regardless of elections made under 26 U.S.C. 263(c) (Internal Revenue Code), as amended, and either is treated as a capitalized expenditure by the person incurring the expenditure or is eligible to be deducted as an expense under 26 U.S.C. 263(c) (Internal Revenue Code), as amended;

(B) does not include an expenditure to acquire an asset (i) the cost of previously acquiring which was a lease expenditure under AS 43.55.160(c) or would have been a lease expenditure under AS 43.55.160(c) if it had been incurred on or after July 1, 2006; or (ii) that previously has been placed in service in the state; an expenditure to acquire an asset is not excluded under this subparagraph if no more than ~~an immaterial portion,~~ fifteen percent~~,~~ of the asset meets a description under (i) or (ii) of this subparagraph; for purposes of this subparagraph (h)(2)(B), "asset" includes geological, geophysical, and well data, and interpretations of these data, but does not include such data and interpretations when they are being purchased from a person who is not a producer or explorer under AS 43.55.

* **Sec. 13.** AS 43.55.030(a) is amended to read:
(a) The tax shall be paid to the department and the person paying the tax shall file with the department at the time the tax **or a portion of the tax** is required to be paid a statement, under oath, on forms prescribed by or acceptable to the department, giving with other information required, the following:
(1) a description of **each** [THE] lease or property from which the oil **and** [OR] gas **were** [WAS] produced, by name, legal description, lease number, or [BY] accounting **codes** [CODE NUMBERS] assigned by the department;
(2) the names of the producer and the person paying the tax;
(3) the gross amount of oil **and the gross amount of** [OR] gas produced from **each** [THE] lease or property, and the percentage of the gross amount **of oil and of gas** owned by each producer for whom the tax is paid;
(4) the **gross** [TOTAL] value **at the point of production** of the oil **and of the** [OR] gas produced from **each** [THE] lease or property owned by each producer for whom the tax is paid; [AND]
(5) the name of the first purchaser and the price received for the oil **and for the** [OR] gas**, unless relieved from this requirement in whole or in part by the department; and**
(6) the producer's lease expenditures and adjustments as calculated under AS 43.55.160 [IF SOLD IN THE STATE].

* **Sec. 14.** AS 43.55.030(d) is amended to read:
(d) Reports by or on behalf of the producer are delinquent the first day following the day the tax is due. [EACH PRODUCER IS SUBJECT TO A PENALTY OF $25 A DAY FOR EACH LEASE OR PROPERTY UPON WHICH THE REPORT IS NOT FILED. THE PENALTY FOR FAILURE TO FILE A REPORT IS IN ADDITION TO THE PENALTY FOR DELINQUENT TAXES, AND IS A LIEN AGAINST THE ASSETS OF THE PRODUCER.]

* **Sec. 15.** AS 43.55.030 is amended by adding a new subsection to read:
(e) In addition to other required information, the statement required to be filed on or before March 31 of a year must show any adjustments or corrections to the statements that were required under (a) of this section to be filed for the months of the preceding calendar year during which the oil or gas was produced.

* **Sec. 16.** AS 43.55.040 is amended to read:
Sec. 43.55.040. Powers of Department of Revenue. Except as provided in AS 43.05.405 - 43.05.499, the department may

(1) require a person engaged in production and the agent or employee of the person, and the purchaser of oil or gas, or the owner of a royalty interest in oil or gas to furnish, **whether by the filing of regular statements or reports or otherwise,** additional information that is considered by the department as necessary to compute the amount of the tax**; notwithstanding any contrary provision of law, the disclosure of additional information under this paragraph to the producer obligated to pay the tax does not violate AS 40.25.100(a) or AS 43.05.230(a) before disclosing information under this paragraph that is otherwise required to be held confidential under AS 40.25.100(a) or AS 43.05.230(a), the department shall**

(A) provide the person that furnished the information a reasonable opportunity to be heard regarding the proposed disclosure and the conditions to be imposed under (B) of this paragraph; and

(B) impose appropriate conditions limiting

(i) access to the information to those legal counsel, consultants, employees, officers, and agents of the producer who have a need to know that information for the purpose of determining or contesting the producer's tax obligation; and

(ii) the use of the information to use for that purpose;

(2) examine the books, records, and files of [SUCH] a person **described in (1) of this section;**

(3) conduct hearings and compel the attendance of witnesses and the production of books, records, and papers of any person; and

(4) make an investigation or hold an inquiry that is considered necessary to a disclosure of the facts as to (A) the amount of production from any oil or gas location, or of a company or other producer of oil or gas; and (B) the rendition of the oil and gas for taxing purposes.

* **Sec. 17.** AS 43.55.080 is amended to read:
Sec. 43.55.080. Collection and deposit of revenue. Except as otherwise provided under art. IX, sec. 17, Constitution of the State of Alaska, the [THE] department shall deposit in the general fund the money collected by it under **AS 43.55.011 - 43.55.160** [AS 43.55.011 - 43.55.150].

* **Sec. 18.** AS 43.55.135 is amended to read:
Sec. 43.55.135. Measurement. For the purposes of **AS 43.55.011 - 43.55.160** [AS 43.55.011 - 43.55.150], oil **is** [SHALL BE] measured in

terms of a "barrel of oil" and gas is [SHALL BE] measured in terms of a "cubic foot of gas."

*** Sec. 19.** AS 43.55.150(a) is amended to read:

(a) For the purposes of **AS 43.55.011 - 43.55.160** [AS 43.55.011 - 43.55.150], the gross value **at the point of production is** [SHALL BE] calculated using the reasonable costs of transportation of the oil or gas. The reasonable costs of transportation **are** [SHALL BE] the actual costs, except **when the**

(1) [WHEN THE] parties to the transportation of oil or gas are affiliated;

(2) [WHEN THE] contract for the transportation of oil or gas is not an arm's length transaction or is not representative of the market value of that transportation;

(3) [WHEN THE] method of transportation of oil or gas is not reasonable in view of existing alternative methods of transportation.

*** Sec. 20.** AS 43.55.150 is amended by adding a new subsection to read:

(d) Under regulations adopted by the department~~, the department may allow a producer, subject to limitations prescribed by the department~~ as to the frequency of making elections, ~~to~~ a producer ~~elect prospectively to calculate the gross value at the point of production of oil or gas based in whole or part upon~~

(1) shall calculate the gross value at the point of production of oil or gas based upon the ~~a~~ royalty value determined under a royalty settlement agreement between the producer and the state applicable to one or more leases of state land in the same region or geologic province in the state, or in the case of a lease or property ~~where~~ in which there is no state land, the owner of the land or mineral interest, with adjustments for differences in location between the point where the royalty is valued under the terms of that settlement agreement and the point where the gross value at the point of production under AS 43.55.011 - 43.55.160 is determined, if and to the extent appropriate;

(2) may, in all cases not covered by (1) of this subsection, elect prospectively to calculate the gross value at the point of production of oil and gas based upon

(A) a formula prescribed by the department that uses, with adjustments if appropriate, a royalty value or valuation methodology accepted by the

(i~~A~~) Department of Natural Resources under AS 38.05, in the case of oil and gas produced from a lease issued by the Department of Natural Resources or produced from a lease or property that is part of a unit approved by the Department of Natural Resources; or

(ii~~B~~) United States Department of the Interior under applicable federal oil and gas leasing statutes, in the case of oil and gas produced from lease issued by the United States Department of the Interior that is not part of a unit approved by the Department of Natural Resources, or produced from a lease or property that is part of a unit approved by the United States Department of the Interior but not approved by the Department of Natural Resources; or

(B~~3~~) another formula prescribed by the ~~D~~department ~~of Revenue~~ that reasonably ~~estimates~~ determines the market ~~a~~ value for the oil or gas at a specific geographical location such as the point of tender or delivery into a common carrier pipeline, and then adjusts that value to the corresponding value at the point where the gross value at the point of production is for that oil or gas; the formula may use such factors as published price indices for oil or gas in or outside the state, quality differentials for oil or gas, transportation costs between markets, and inflation adjustments.

* **Sec. 21.** AS 43.55 is amended by adding a new section to article 1 to read:

Sec. 43.55.160. Determination of ~~net~~taxable value of oil and gas.

(a) Except as provided in (f) and (i) of this section, for purposes of AS 43.55.011, the ~~net~~taxable value of the taxable oil and gas produced during a month is the total of the gross value at the point of production of the oil and gas taxable under AS 43.55.011 and produced by the producer from all leases or properties in the state, less (1) first, the gross value at the point of production of taxable royalty oil and gas taxed under AS 43.55.011(a)[AOGA anticipates proposed language by ASRC will be adopted regarding AS 43.55.014], and (2) second, the producer's lease expenditures for the month as adjusted under (e) of this section, and (~~2~~3) ~~second~~third, to the extent allowed under (g) of this section and until the total amount of the producer's transitional investment expenditures has been deducted, an amount equal to 1/72 of the producer's transitional investment expenditures. However, the ~~net~~taxable value calculated under this subsection may not be less than zero.

(b) Any adjusted lease expenditures that would otherwise be deductible in a month but whose deduction would cause the ~~net~~taxable value calculated under (a) of this section of the taxable oil and gas produced during the month to be less than zero may be added to the producer's adjusted lease expenditures for one or more other months in the same calendar year. The total of any adjusted lease expenditures that are not deductible in any month during a calendar year because their deduction would cause the ~~net~~taxable value calculated under (a) of this section of the taxable oil and gas produced during one or more months to be less than zero may be used to establish a carried-forward annual loss under AS 43.55.024(b). An amount of transitional investment expenditures that would otherwise be deductible in a month but whose deduction would cause the ~~net~~taxable value calculated under (a) of this section of the taxable oil and gas produced during the month to be less than zero (1) may be deducted in a later month during any calendar year to the extent allowed under (g) of this section, but no more than 1/72 of a producer's transitional investment expenditures may be deducted in any month; (2) may not be used to establish a carried-forward annual loss under AS 43.55.024(b).

(c) For purposes of this section, a producer's lease expenditures for a period are the total costs in support of activities upstream of the point of production of oil and gas that are incurred on or after July 1, 2006, by the producer during the period and that are ~~direct,~~

ordinary~~,~~ and necessary costs of exploring for, developing, or producing oil or gas deposits located within the producer's leases or properties in the state or, in the case of land in which the producer owns no working interest, ~~direct,~~ ordinary~~,~~ and necessary costs of exploring for oil or gas deposits located within other land in the state. However, lease expenditures do not include the costs incurred to satisfy a work commitment under an exploration license under AS 38.05.132. In determining whether costs are ~~direct,~~ ordinary~~,~~ and necessary costs of exploring for, developing, or producing an oil or gas deposit located within a lease or property or other land in the state, the department shall apply ~~give substantial weight to~~ (1) the typical industry practices and standards in the state and in the United States in determining the amount ~~as to costs~~ that an operator is allowed to bill a working interest owner that is not the operator, under unit operating agreements or similar operating agreements that were in effect on or before December 1, 2005, and were subject to negotiation with working interest owners, ~~not~~ other than the operator, with substantial bargaining power; and (2) in the absence of unit operating agreements or similar operating agreements that were in effect on or before December 1, 2005, and were subject to negotiation with working interest owners, other than the operator, with substantial bargaining power, the standards adopted by the Department of Natural Resources as to the costs, other than interest, that a lessee is allowed to deduct from revenue in calculating net profits under a lease issued under AS 38.05.180(f)(3)(B), (D), or (E). The Department of Revenue may authorize a producer, including the operator as a working interest owner, to treat as its lease expenditures under this section the costs paid by the producer that are billed to the producer by an operator in accordance with the terms of a unit operating agreement or similar operating agreement, if the Department of Revenue finds that the pertinent provisions of the operating agreement are substantially consistent with the Department of Revenue's determinations and standards otherwise applicable under this subsection and that at least one working interest owner party to the agreement, other than the operator, has substantial incentive and ability to effectively audit billings under the agreement.

(d) For purposes of (c) of this section, lease expenditures ~~direct costs~~

(1) include

(A) outlays for capital assets;

(B) payments for or in lieu of property taxes, sales and use taxes, motor fuel taxes, and excise taxes;

(C) a reasonable allowance, as determined under regulations adopted by the department, for overhead expenses directly related to exploring for, developing, and producing oil or gas deposits located within leases or properties or other land in the state~~;~~

(2) do not include

(A) depreciation or amortization of capital assets;

(B) royalty payments for oil and gas;

(C) taxes based on or measured by net income;

(D) interest or other financing charges or costs of raising equity or debt capital;

(E) acquisition costs for a lease or property or exploration license;

(F) costs arising from fraud, willful misconduct, or negligence;
(G) fines or penalties imposed by law;
(H) costs of arbitration, litigation, or other dispute resolution activities that involve the state or concern the rights or obligations among owners of interests in, or rights to production from, one or more leases or properties or a unit;
(I) donations;
(J) costs incurred in organizing a ~~partnership, joint venture, or other~~ business entity or arrangement, except for those costs incurred in organizing a partnership or joint venture for future operation of a lease, property or unit;
(K) amounts paid for purposes of indemnification from the state.

(e) A producer's lease expenditures must be adjusted by subtracting any monetary payment or credit the producer receives (1) for the use by another person of a production facility in which the producer has an ownership interest; (2) for a reimbursement or similar payment that offsets the producer's lease expenditures, including any payment from the state or federal government for reimbursement of the producer's upstream costs, including any costs for gathering, separating, cleaning, dehydration, compressing, or other field handling costs associated with the production of oil or gas upstream of the point of production; (3) for the sale or other transfer of (A) an asset, including geological, geophysical, or well data or interpretations, acquired by the producer as a result of a lease expenditure or an expenditure that would be a lease expenditure if it were incurred on or after July 1, 2006; and
(B) oil or gas (i) that is not considered produced from a lease or property under AS 43.55.020(e); and (ii) the cost of acquiring which is a lease expenditure incurred by the person that acquires the oil or gas.

(f) In place of the adjusted lease expenditures for a month under (a) of section, a producer may at any time elect to substitute for every month of a calendar year one-twelfth of the producer's adjusted lease expenditures for the calendar year.
(g) For the purposes of this section, a producer's transitional investment expenditures are (1) the sum of the expenditures the producer incurred on or after July 1, 2001, and before July 1, 2006, that would be qualified capital expenditures, as defined in AS 43.55.024(h), if they were incurred on or after July 1, 2006, less (2) the sum of the payments or credits the producer received before July 1, 2006, for the sale or other transfer of assets, including geological, geophysical, or well data or interpretations, acquired by the producer as a result of expenditures the producer incurred on or after July 1, 2001, and before July 1, 2006, that would be qualified capital expenditures, as defined in AS 43.55.024(h), if they were incurred on or after July 1, 2006. An amount of transitional investment expenditures may not be deducted under (a) of this section for a month for which the average price of Alaska Slope oil delivered on the United States West Coast, as determined under (h) of this section, is equal

to or less than $40 per barrel, as adjusted for inflation under (h) of this section.

(h) The average price described in (g) of this section shall be an average, as calculated using a formula prescribed by the department by regulation, of published daily spot price assessments during the month for Alaska North Slope oil delivered on the United States West Coast. However, if the department determines that such daily assessments cease or appear likely to soon cease to be published throughout the calendar year or that they cease or appear likely to soon cease to be reliable evidence of market conditions, the department shall by regulation provide that the average price described in (g) of this section is the prevailing value of Alaska North Slope oil delivered on the United States West Coast as determined under regulations of the department implementing AS 43.55.020(f). For each year after 2006, the reference price of $40 per barrel set out in (g) of this section shall be adjusted for inflation using an appropriate consumer price index published by the United States Bureau of Labor Statistics, as prescribed by the department by regulation.

(i) For a month for which the ~~net~~taxable value of the taxable oil and gas produced during the month calculated under (a) of this section exceeds zero, a producer that is qualified under (j) of this section may reduce the ~~net~~taxable value by deducting an allowance in an amount calculated such that (1) the ~~net~~taxable value for the month is not reduced below zero; and (2) the total of the allowances deducted for all months during the calendar year does not exceed $73,000,000. An unused allowance or portion of an allowance under this subsection may not be carried forward to a later calendar year or used to establish a carried-forward annual loss under AS 43.55.024(b).

(j) Upon written application by a producer, including any information the department may require, the department shall determine whether the producer qualifies under this subsection for a calendar year. To qualify under this subsection, a producer must demonstrate that its operation in the state or its ownership of an interest in a lease or property in the state as a distinct producer entity would not result in the division among multiple producer entities of any ~~net~~taxable value of taxable oil and gas, as defined under (a) of this section, that would be reasonably expected to be attributed to a single producer entity if the allowance provision of (i) of this section did not exist.

(k) If a cost that would otherwise constitute a lease expenditure under (c) of this section is incurred to explore for, develop, or produce (1) both an oil or gas deposit located within land outside the state and an oil or gas deposit located within a lease or property, or other land, in the state, or (2) an oil or gas deposit located partly within land outside the state and partly within a lease or property, or other land, in the state, the department shall specify or approve a reasonable allocation method for determining the portion of the cost that is appropriately treated as a lease expenditure under (c) of this section.

(l) The department may adopt regulations that establish additional standards necessary to carrying out the purposes of this section.

(m) For purposes of AS 43.55.024(a) and (b) and only as to expenditures incurred to explore for an oil or gas deposit located within land in which an explorer, as defined in AS 43.55.025(k), owns no working interest, the term "producer" in (c) and (e) of this section includes "explorer."

(n) For purposes of this section,