



LAWS OF ALASKA

1976

Source

SCS CSHB 583

Chapter No.

107

AN ACT

Relating to oil and gas taxes; and providing for an effective date.

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

* Section 1. AS 43.56.010(b) is amended to read:

(b) A municipality may levy and collect a tax under AS 29.53.045 at the rate of taxation that applies to other property taxed by the municipality. The tax shall be levied at a rate no higher than the rate applicable to other property taxable by the municipality. No municipality may exempt from taxation property authorized to be taxed under this chapter. Exemptions shall be limited to those in AS 29.53.020 and 29.53.025 and sec. 20 of this chapter.

* Sec. 2. AS 43.56.010 is amended by adding a new subsection to read:

(d) A tax paid to a municipality under AS 29.53.045 on or before June 30 of the tax year shall be credited against the tax levied under (a) of this section for that tax year. If, however, a tax is not paid to a municipality until after June 30 of the taxable year, the department upon application shall refund to the taxpayer the amount of tax paid to the municipality under AS 29.53.045. The credit or refund of taxes paid to a municipality may not exceed the total amount of tax levied by the department upon the taxpayer for the tax year, under (a) of this section.

* Sec. 3. AS 43.56.150(a) is amended to read:

(a) The tax levied by sec. 10(a) of this chapter is payable to the department on or before June 30 of the taxable year.

* Sec. 4. AS 43.56 is amended by adding a new section to read:

Sec. 43.56.135. CERTIFICATION. No later than June 1 of each year, the department shall certify the final assessment roll and mail to the owner of the taxable property or his authorized agent a statement of the amount of tax due.

* Sec. 5. AS 43.56.130(h) is repealed.

* Sec. 6. AS 43.55 is amended by adding a new section to read:

Sec. 43.55.150. DETERMINATION OF GROSS VALUE. (a) For the purposes of this chapter, the gross value shall be calculated using the reasonable costs of transportation of the oil or gas. The reasonable costs of transportation shall be the actual costs, except

(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.

(b) If the department finds that the conditions in (a)(1), (2), and (3) of this section are present, the department shall determine the reasonable costs of transportation, using the fair market value of like transportation, the fair market value of equally efficient and available alternative modes of transportation, or other reasonable methods. Transportation costs fixed by tariff rates properly on file with the Alaska Pipeline Commission or other regulatory agency shall be considered prima facie reasonable.

* Sec. 7. AS 43.55.020(f) is amended to read:

(f) 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. 8. AS 29.53.045(b) is amended to read:

(b) A municipality may levy and collect a tax on the full and true value of taxable property taxable under AS 43.56 as valued by the Department of Revenue at a rate not to exceed that which produces an amount of revenue from the total municipal property tax equivalent to \$1,500 a year for each person residing within its boundaries.

* Sec. 9. This Act is retroactive to January 1, 1976.

* Sec. 10. This Act takes effect immediately in accordance with AS 01.10.070(c).

Approved by governor: June 1, 1976
Actual effective date: June 2, 1976 (retroactive to
January 1, 1976)