



# ALASKA STATE LEGISLATURE

## News from the House Majority

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## **House Finance Passes PTT Legislation**

(JUNEAU) – The House Finance Committee passed the Committee Substitute for Senate Bill 305 this morning, by a vote of 9-2.

The Committee Substitute is a combination of SB 305, as passed by the Senate, and the House Resources, HB 488, retaining provisions from both bills. The House Finance version retains the 20/20 credit rate in both the oil and gas tax rate and the investment credit rate. The CS retains progressivity, which allows a higher tax rate at higher prices.

The bill also includes a provision to reduce the Cook Inlet oil tax rate to 5%.

House Finance Co-Chair Mike Chenault (R-Nikiski) said, “We are trying to ensure that Alaska is open to investment by both producers and explorers. We hope to see, with this proposed tax structure, more exploration. This is a step forward in Alaska’s future and an opportunity to capture a higher return for our resources when prices are high.” He continued, “The House Finance Committee has done its best to be fair with industry while representing the best interests of Alaska.”

“The package that Finance has proposed is a bill that keeps the tax rate low enough to attract more investment to Alaska, yet captures Alaska’s fair share. With progressivity, we protect Alaska’s interests as prices increase. We’ve done our best to strike the delicate balance,” said Representative Kevin Meyer (R-Anchorage).

CSSB 305 now moves to the House floor for consideration.

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