

Alaska State Chamber of Commerce

Resolution 2006-002

Supporting a change in the oil production tax structure for the state of Alaska

Whereas Alaska's oil production will continue to decline over the next few years; and

Whereas, the current oil and gas tax structure which includes ELF based deductions will eventually provide zero taxes to the state; and

Whereas, nearly all oil developing governments base their tax structure on a net profit tax system; and

Whereas the current tax system provides little or no incentive for oil & gas development in Alaska; and

Whereas repealing the current oil and gas production tax while providing new incentives for investment would be best for the long-term interest of the State of Alaska; and so therefore

Be it Resolved that the Alaska State Chamber of Commerce supports a revision to the current Alaska oil & gas production tax; and let it be

Further resolved that the Alaska State Chamber of Commerce supports a change in production tax to a net profit tax with tax incentives for oil & gas exploration and reinvestment.