

A	B	C	D
Year	ANS (million barrels per day)	Daily Production in barrels	Annual Production in barrels
	B	B*1,000,000	C*365

### Current PPT Law

2008	0.722	722,000	263,530,000
2009	0.749	749,000	273,385,000
2010	0.751	751,000	274,115,000
2011	0.754	754,000	275,210,000
2012	0.807	807,000	294,555,000
2013	0.776	776,000	283,240,000
2014	0.755	755,000	275,575,000
2015	0.722	722,000	263,530,000
2016	0.682	682,000	248,930,000

### Governor's ACES Proposal

2008	0.722	722,000	263,530,000
2009	0.749	749,000	273,385,000
2010	0.751	751,000	274,115,000
2011	0.754	754,000	275,210,000
2012	0.807	807,000	294,555,000
2013	0.776	776,000	283,240,000
2014	0.755	755,000	275,575,000
2015	0.722	722,000	263,530,000
2016	0.682	682,000	248,930,000

### Public PPT/ACES Model

Assumptions source Department of Revenue (as of 10/15/07)  
 Designed to be laid out horizontally from first page to last page

E

F

G

H

I

# Value

**Annual Production  
w/out royalty bbls**

**ANS West Coast Price**

**ANS Marine  
Transportation**

**TAPS Tariff**

D\*0.875

G

H

I

230,588,750	\$71.65	\$1.79	\$5.06
239,211,875	\$66.30	\$1.84	\$3.85
239,850,625	\$63.40	\$1.89	\$2.78
240,808,750	\$64.75	\$1.94	\$2.77
257,735,625	\$66.35	\$1.99	\$2.78
247,835,000	\$67.45	\$2.04	\$2.88
241,128,125	\$68.55	\$2.09	\$3.03
230,588,750	\$41.05	\$2.14	\$3.18
217,813,750	\$42.25	\$2.19	\$3.28

230,588,750	\$71.65	\$1.79	\$5.06
239,211,875	\$66.30	\$1.84	\$3.85
239,850,625	\$63.40	\$1.89	\$2.78
240,808,750	\$64.75	\$1.94	\$2.77
257,735,625	\$66.35	\$1.99	\$2.78
247,835,000	\$67.45	\$2.04	\$2.88
241,128,125	\$68.55	\$2.09	\$3.03
230,588,750	\$41.05	\$2.14	\$3.18
217,813,750	\$42.25	\$2.19	\$3.28

J	K	L	M
Other Deductions & Adjustments <sup>1</sup>	ANS Wellhead Price		Annual Value w/ Royalty Barrels
J	G-(H+I+J)		D*K
-\$0.12	\$64.92		\$ 17,108,367,600.00
-\$0.13	\$60.74		\$ 16,605,404,900.00
-\$0.12	\$58.85		\$ 16,131,667,750.00
-\$0.12	\$60.16		\$ 16,556,633,600.00
-\$0.12	\$61.70		\$ 18,174,043,500.00
-\$0.12	\$62.65		\$ 17,744,986,000.00
-\$0.13	\$63.56		\$ 17,515,547,000.00
-\$0.13	\$35.86		\$ 9,450,185,800.00
-\$0.12	\$36.90		\$ 9,185,517,000.00
-\$0.12	\$64.92		\$ 17,108,367,600.00
-\$0.13	\$60.74		\$ 16,605,404,900.00
-\$0.12	\$58.85		\$ 16,131,667,750.00
-\$0.12	\$60.16		\$ 16,556,633,600.00
-\$0.12	\$61.70		\$ 18,174,043,500.00
-\$0.12	\$62.65		\$ 17,744,986,000.00
-\$0.13	\$63.56		\$ 17,515,547,000.00
-\$0.13	\$35.86		\$ 9,450,185,800.00
-\$0.12	\$36.90		\$ 9,185,517,000.00

<sup>1</sup> Other deductions and adjustments column was use to reconcile the new Department of Revenue Transportation costs forecast into the model.

N

O

P

Q

R

Minus

## Costs

Annual Value w/out  
Royalty Barrels

Opex

Capex after .30  
exemption

Opex and Capex

E\*K

P

Q

P+Q

\$14,969,821,650.00	\$2,146,000,000.00	\$2,137,000,000.00	\$4,283,000,000.00
\$14,529,729,287.50	\$2,286,000,000.00	\$1,881,000,000.00	\$4,167,000,000.00
\$14,115,209,281.25	\$2,375,000,000.00	\$1,975,000,000.00	\$4,350,000,000.00
\$14,487,054,400.00	\$2,464,000,000.00	\$1,902,000,000.00	\$4,366,000,000.00
\$15,902,288,062.50	\$2,571,000,000.00	\$1,980,000,000.00	\$4,551,000,000.00
\$15,526,862,750.00	\$2,638,000,000.00	\$1,975,000,000.00	\$4,613,000,000.00
\$15,326,103,625.00	\$2,712,000,000.00	\$2,315,000,000.00	\$5,027,000,000.00
\$8,268,912,575.00	\$2,781,000,000.00	\$2,547,000,000.00	\$5,328,000,000.00
\$8,037,327,375.00	\$2,848,000,000.00	\$2,626,000,000.00	\$5,474,000,000.00

\$14,969,821,650.00	\$2,146,000,000.00	\$2,137,000,000.00	\$4,283,000,000.00
\$14,529,729,287.50	\$2,286,000,000.00	\$1,881,000,000.00	\$4,167,000,000.00
\$14,115,209,281.25	\$2,375,000,000.00	\$1,975,000,000.00	\$4,350,000,000.00
\$14,487,054,400.00	\$2,464,000,000.00	\$1,902,000,000.00	\$4,366,000,000.00
\$15,902,288,062.50	\$2,571,000,000.00	\$1,980,000,000.00	\$4,551,000,000.00
\$15,526,862,750.00	\$2,638,000,000.00	\$1,975,000,000.00	\$4,613,000,000.00
\$15,326,103,625.00	\$2,712,000,000.00	\$2,315,000,000.00	\$5,027,000,000.00
\$8,268,912,575.00	\$2,781,000,000.00	\$2,547,000,000.00	\$5,328,000,000.00
\$8,037,327,375.00	\$2,848,000,000.00	\$2,626,000,000.00	\$5,474,000,000.00

S

T

U

V

W

## Times

AS 43.55.160(a)(1)(A) Annual Production Tax Value	AS 43.55.011(e) Petroleum Production Tax	Annual Tax at 22.5%	Per Barrel Value
N-R	U	S*U	S/E
\$10,686,821,650.00	22.50%	\$2,404,534,871.25	\$46.35
\$10,362,729,287.50	22.50%	\$2,331,614,089.69	\$43.32
\$9,765,209,281.25	22.50%	\$2,197,172,088.28	\$40.71
\$10,121,054,400.00	22.50%	\$2,277,237,240.00	\$42.03
\$11,351,288,062.50	22.50%	\$2,554,039,814.06	\$44.04
\$10,913,862,750.00	22.50%	\$2,455,619,118.75	\$44.04
\$10,299,103,625.00	22.50%	\$2,317,298,315.63	\$42.71
\$2,940,912,575.00	22.50%	\$661,705,329.38	\$12.75
\$2,563,327,375.00	22.50%	\$576,748,659.38	\$11.77
\$10,686,821,650.00	25.00%	\$2,671,705,412.50	\$46.35
\$10,362,729,287.50	25.00%	\$2,590,682,321.88	\$43.32
\$9,765,209,281.25	25.00%	\$2,441,302,320.31	\$40.71
\$10,121,054,400.00	25.00%	\$2,530,263,600.00	\$42.03
\$11,351,288,062.50	25.00%	\$2,837,822,015.63	\$44.04
\$10,913,862,750.00	25.00%	\$2,728,465,687.50	\$44.04
\$10,299,103,625.00	25.00%	\$2,574,775,906.25	\$42.71
\$2,940,912,575.00	25.00%	\$735,228,143.75	\$12.75
\$2,563,327,375.00	25.00%	\$640,831,843.75	\$11.77

X

Y

Z

AA

# Tax Rate

AS 43.55.011(h)

Factor for Price Index Calculation	Price Index	Progressivity Tax Factor	Progressivity Tax Rate
------------------------------------	-------------	--------------------------	------------------------

X	IF $W-X < 0$ , then 0, otherwise $W-X$	Z	IF $Y*Z < 0$ , then 0, otherwise $Y*Z$
---	---	---	---

\$40.00	\$6.35	0.0025	1.59%
\$40.00	\$3.32	0.0025	0.83%
\$40.00	\$0.71	0.0025	0.18%
\$40.00	\$2.03	0.0025	0.51%
\$40.00	\$4.04	0.0025	1.01%
\$40.00	\$4.04	0.0025	1.01%
\$40.00	\$2.71	0.0025	0.68%
\$40.00	\$0.00	0.0025	0.00%
\$40.00	\$0.00	0.0025	0.00%

\$30.00	\$16.35	0.0020	3.27%
\$30.00	\$13.32	0.0020	2.66%
\$30.00	\$10.71	0.0020	2.14%
\$30.00	\$12.03	0.0020	2.41%
\$30.00	\$14.04	0.0020	2.81%
\$30.00	\$14.04	0.0020	2.81%
\$30.00	\$12.71	0.0020	2.54%
\$30.00	\$0.00	0.0020	0.00%
\$30.00	\$0.00	0.0020	0.00%

AB

AC

AD

AE

AF

### Minus

<b>Progressivity Tax</b>	<b>Base Tax plus Progressivity Tax</b>	<b>AS 43.55.011(m) Transfer Credits from Cook Inlet</b>	<b>AS 43.55.019 Education Credits</b>
S*AA	V+AB		
\$169,541,262.84	\$2,574,076,134.09		
\$86,018,327.55	\$2,417,632,417.23		
\$17,423,868.84	\$2,214,595,957.12		
\$51,349,917.91	\$2,328,587,157.91		
\$114,715,299.29	\$2,668,755,113.36		
\$110,142,969.52	\$2,565,762,088.27		
\$69,832,103.03	\$2,387,130,418.66		
\$0.00	\$661,705,329.38		
\$0.00	\$576,748,659.38		
\$349,369,443.28	\$3,021,074,855.78		
\$276,069,247.79	\$2,866,751,569.66		
\$209,243,280.69	\$2,650,545,601.01		
\$243,501,022.33	\$2,773,764,622.33		
\$318,798,000.68	\$3,156,620,016.31		
\$306,391,630.61	\$3,034,857,318.11		
\$261,847,754.92	\$2,836,623,661.17		
\$0.00	\$735,228,143.75		
\$0.00	\$640,831,843.75		

AG

AH

AI

AJ

# Credits

AS 43.55.023(a) <b>20% of capex</b>	AS 43.55.023(b) <b>20% carried forward loss</b>	AS 45.55.023(f) <b>Small Producer Refunds</b>	AS 43.55.023(i) <b>Transitional Investment expenditures</b>
--	--	--	--

Q\*0.2

AI

Q\*0.1

\$427,400,000.00  
 \$376,200,000.00  
 \$395,000,000.00  
 \$380,400,000.00  
 \$396,000,000.00  
 \$395,000,000.00  
 \$463,000,000.00  
 \$509,400,000.00  
 \$525,200,000.00

\$48,000,000  
 \$48,000,000  
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 \$48,000,000

\$213,700,000  
 \$188,100,000  
 \$197,500,000  
 \$190,200,000  
 \$198,000,000  
 \$197,500,000

\$427,400,000.00  
 \$376,200,000.00  
 \$395,000,000.00  
 \$380,400,000.00  
 \$396,000,000.00  
 \$395,000,000.00  
 \$463,000,000.00  
 \$509,400,000.00  
 \$525,200,000.00

\$48,000,000  
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 \$48,000,000  
 \$48,000,000



AK

AL

AM

AN

AO

## Equals

AS 43.55.024 Additional nontransferrable tax credits	AS 43.55.025 Alternative tax credit for oil and gas	Subtotal Credits	Tax Liability
AK	AL	Sum(AE:AL)	AC-AM
	\$50,000,000.00	\$739,100,000.00	\$1,834,976,134.09
	\$51,375,000.00	\$663,675,000.00	\$1,753,957,417.23
	\$52,787,812.50	\$693,287,812.50	\$1,521,308,144.62
	\$54,239,477.34	\$672,839,477.34	\$1,655,747,680.57
	\$55,731,062.97	\$697,731,062.97	\$1,971,024,050.38
	\$57,263,667.20	\$697,763,667.20	\$1,867,998,421.06
	\$58,838,418.05	\$569,838,418.05	\$1,817,292,000.60
	\$60,456,474.55	\$617,856,474.55	\$43,848,854.83
	\$62,119,027.60	\$635,319,027.60	-\$58,570,368.22
	\$50,000,000.00	\$525,400,000.00	\$2,495,674,855.78
	\$51,375,000.00	\$475,575,000.00	\$2,391,176,569.66
	\$52,787,812.50	\$495,787,812.50	\$2,154,757,788.51
	\$54,239,477.34	\$482,639,477.34	\$2,291,125,144.99
	\$55,731,062.97	\$499,731,062.97	\$2,656,888,953.34
	\$57,263,667.20	\$500,263,667.20	\$2,534,593,650.91
	\$58,838,418.05	\$569,838,418.05	\$2,266,785,243.12
	\$60,456,474.55	\$617,856,474.55	\$117,371,669.20
	\$62,119,027.60	\$635,319,027.60	\$5,512,816.15

AP

AQ

# Tax

**Alternative Minimum  
Tax of 10%**

**Total Tax Liability**

$E * K * 0.10$

IF  $AO > AP$ , then  $AO$ ,  
otherwise  $AP$

\$1,834,976,134.09  
 \$1,753,957,417.23  
 \$1,521,308,144.62  
 \$1,655,747,680.57  
 \$1,971,024,050.38  
 \$1,867,998,421.06  
 \$1,817,292,000.60  
 \$43,848,854.83  
 -\$58,570,368.22

## Current PPT Law

\$1,496,982,165.00	\$2,495,674,855.78
\$1,452,972,928.75	\$2,391,176,569.66
\$1,411,520,928.13	\$2,154,757,788.51
\$1,448,705,440.00	\$2,291,125,144.99
\$1,590,228,806.25	\$2,656,888,953.34
\$1,552,686,275.00	\$2,534,593,650.91
\$1,532,610,362.50	\$2,266,785,243.12
\$826,891,257.50	\$826,891,257.50
\$803,732,737.50	\$803,732,737.50

## Governor's ACES Proposal