

Proposed Senate Finance CS illustrated

Presentation to Senate Finance

November 14, 2007

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Structure of the levy

AS 43.55.xx	Current Law	SB 2001 (ACES)	CSHB 2001 (FIN) am	Proposed Senate Fin CS
.011(e)	22.5%	Rate in (g)	25% + progressivity in (g)	Rate in (g)
.011(g)	.25% Progressivity in Addition using price index in (h)	Rate=25%+.20 % progressivity using price index in (h)	.4% Progressivity in Addition using price index in (h)	Rate=22.5%+ sliding progressivity scale
.011(h)	Price index derived using 40	Price index derived using 30	Price index derived using 30	Repealed
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Credits against Floor

Credits	Current Law	SB 2001 (ACES)	CSHB 2001 (FIN) am	Proposed Senate Fin CS
.023	no	no	no	no
.024	yes	no	yes	yes
.025	yes	no	yes	no

CS HB 2001(FIN) am TIE credits

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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CSHB 2001(FIN) am

"Capital spending fills the bucket"

Spending:

X

Y

Y

Prod's
use TIEs

Producer Credit

min (10% of Y, 20% of X)

Non Prod Spend	Non pre- 2008 Prod Uses tax credits
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Non pre-2008 Producer credits

min (10% of Y, 20% of X)

Everyone's TIE credits are limited to 10% of spending in 21 Months between April 1 2006 and December 31, 2007

CS CB 2001(FIN) TIE credits

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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Senate(FIN) CS

"Capital spending fills the bucket"

Spending: **X** **Y** **Y** **W** **W** **W** **W** **W** **W**

Prod's
use TIEs

Producer Credit min (10% of Y, 20% of X)

Non pre-2006 Prod Uses tax credits

non pre-2006 Producer credits min (10% of **W**, 20% of X)

Entity that did not produce between April 1, 2006 and December 31, 2007
is no worse off than if the TIE credit were not repealed (except 2013 vs. six years)

Comparison

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
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CSHB 2001(FIN) am

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Senate(FIN) CS

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