

# ANS Oil and Gas Production Tax Data Summary

	History	Forecast	
	FY 2021	FY 2022	FY 2023
<b>North Slope Price (dollars per barrel)</b>			
1 ANS West Coast	54.14	75.72	71.00
2 Transportation Costs and Other	9.19	9.70	9.09
3 ANS Wellhead	44.95	66.03	61.91
<b>North Slope Production <sup>1</sup> (thousand barrels per day)</b>			
4 Total ANS Production	486.1	486.7	500.2
5 Royalty and Federal <sup>2</sup>	60.5	59.6	61.3
6 Taxable Barrels	425.5	427.1	438.9
<b>North Slope Lease Expenditures <sup>3, 4</sup> (millions of dollars)</b>			
<b>Allowable North Slope Lease Expenditures</b>			
7 Operating Expenditures [OPEX]	2,390.2	2,424.2	2,560.9
8 Capital Expenditures [CAPEX]	1,556.7	1,858.0	2,335.5
9 <b>Total Allowable North Slope Expenditures</b>	<b>3,946.9</b>	<b>4,282.2</b>	<b>4,896.4</b>
<b>Deductible North Slope Lease Expenditures</b>			
10 Operating Expenditures [OPEX]	2,135.0	2,339.1	2,449.1
11 Capital Expenditures [CAPEX]	1,390.5	1,367.8	1,638.4
12 <b>Total Deductible North Slope Expenditures</b>	<b>3,525.4</b>	<b>3,707.0</b>	<b>4,087.4</b>
<b>State Production Tax Revenue <sup>5</sup></b>			
13 Tax Revenue (millions of dollars)	389.0	987.6	749.3
14 Production Tax Collected per Taxable Barrel (dollars per barrel)	2.50	6.33	4.68
<b>Statewide Production Tax Credits <sup>3, 6</sup> (millions of dollars)</b>			
15 Credits Used against Tax Liability	788.2	1,302.0	1,251.0
16 Credits for Potential Purchase	0.0	54.2	199.0

<sup>1</sup> Beginning with FY 2019, natural gas liquids (NGLs) shipped from Prudhoe Bay to Kuparuk for use in large-scale enhanced oil recovery project are excluded from actual and production reported in this table. These transfers are assumed to cease in the forecasted production years. With new information, future NGL shipment estimates may change, and the changes will be included in subsequent production forecasts.

<sup>2</sup> Royalty and Federal barrels represent the Department of Revenue's best estimate of barrels that are not taxed. This estimate includes both state and federal royalty barrels, and barrels produced from federal offshore property.

<sup>3</sup> Historical lease expenditures and credits used against tax liability were prepared using unaudited company-reported estimates.

<sup>4</sup> Expenditure forecasts for FY 2021 and FY 2022 are compiled from company submitted estimates and other documentation as provided to DOR. Expenditures are shown in two ways: (1) total estimated allowable expenditures for all companies on the North Slope; and (2) estimated "deductible expenditures" defined for purposes of this analysis as the amount of total allowable expenditures for each company that does not exceed their gross value at point of production. Note that for producers with a net operating loss, only a portion of expenditures will be counted in the "deductible expenditures" category.

<sup>5</sup> Production tax is calculated on a company-specific basis, therefore the aggregated data reported here will not generate the total tax revenue shown. For an illustration of the tax calculation, see Appendix Table E-1.

<sup>6</sup> Production tax credits shown include all production tax credits from all areas of the state. Assumptions for the Small-Producer Credit are included in the table. Per-Taxable-Barrel Credits for oil not eligible for the gross value reduction may not reduce a producer's liability below the minimum tax; that limitation is reflected in these estimates.