

MS. MORIARTY continued, paraphrasing from the following written testimony [original punctuation provided with some formatting changes]:

B. The \$5 dollar per barrel tax credit. [slide 9]

AOGA is concerned that the potential benefit of a \$5 dollar per barrel tax credit under AS 43.55.024(i) will be offset by other burdens.

There are multiple issues to balance when taking in the numerous proposed changes found in CSSB21. The removal of progressivity, the increase in base rate, elimination of the QCE credit all create interrelated issues and while a \$5 dollar per barrel tax credit would provide benefits both in real tax costs and in investment decision making, the weight of the benefit in respect to the other changes is hard to measure. AOGA applauds the concept of tying incentives to the goal of increased production and as such allowing a tax credit per barrel.