

Exploration credits holding steady

Proposed FY 2011 budget has \$180M for tax credits, funds in-state and out-of-state gas, variety of other resource-related projects

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The following is an excerpt from the full article:

Citing a “disconnect” between the claims that ACES is oppressive and the projected increases in industry spending, the state is now publicly challenging oil companies that oppose ACES to submit data proving that the tax system is harming investment.

“If they can suggest changes to ACES in a way that creates jobs and opportunities for Alaskans, I’m listening. ... Show me the data,” Parnell said on Dec. 14.

Parnell also said that he has already discussed ACES with 10 oil companies. Of those, he said, “four to five” thought the tax system was “just fine,” while “two or three” thanked the state for the tax credit program and two companies wanted to see ACES changed.

Asked for some specific examples of company opinions, Parnell said ConocoPhillips and Armstrong Oil and Gas wanted changes, while Renaissance Alaska liked the credits.

He also noted that the state is “paying a significant portion” of Exxon’s on-going exploration effort at the Point Thomson unit on the eastern North Slope.