

ADDITIONAL REGULATIONS NOTICE INFORMATION
[AS 44.62.190(d)]

1. Adopting Agency: Department of Revenue, Tax Division
2. General subject of regulation: Administration of Revenue Laws: Department’s intent is to simplify the calculation for the weighted average cost of capital (WACC) index used in determining return on investment (ROI) for marine transportation of oil and LNG by reducing the number of inputs from over 2,000 to less than 70 in the model.
3. Citation of regulations to be amended: Title 15, Chapter 55, Sections: 192, 193, 195, 196, and 800.
4. Department of Law file number: 2018200789.003
5. Reason for the proposed action:
 - compliance with federal law
 - compliance with new or changed state statutes
 - compliance with court order
 - development of program standards
 - other: (please list)

6. Appropriation/Allocation: Tax Division, Revenue Operations

7. Estimated annual cost to comply with the proposed action to:

A private person: *

Another state agency: \$0. The department does not expect additional costs to any other state agency.

A municipality: *

* The department is not able to make a numeric estimate based on information available to it. However, the department’s intent is to reduce the administrative burden, and thereby, costs, for both taxpayers and the state. Municipalities are not expected to be impacted as they do not operate tankers for the marine transportation of oil or LNG.

8. Cost of implementation to the state agency and available funding (in thousands of dollars):
 No costs are expected in FY 2020 or subsequent years.

	Initial Year FY 2020	Subsequent Years
Operating Cost	\$ <u>0</u>	\$ <u>0</u>
Capital Cost	\$ <u>0</u>	\$ <u>0</u>
1002 Federal receipts	\$ <u>0</u>	\$ <u>0</u>

Additional Regulations Notice Information

1003 General fund match	\$ <u>0</u>	\$ <u>0</u>
1004 General fund	\$ <u>0</u>	\$ <u>0</u>
1005 General fund/ Program	\$ <u>0</u>	\$ <u>0</u>
1037 General fund/ mental health	\$ <u>0</u>	\$ <u>0</u>
Other	\$ <u>0</u>	\$ <u>0</u>

9. The name of the contact person for the regulations:

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10. The origin of the proposed action:

staff of state agency
 Federal government
 General public
 petition for regulation change
 other (please list)

11. Date: October 4, 2019

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