

NOTICE OF PROPOSED CHANGES TO TAXES FOR MINING LICENSES
IN THE REGULATIONS OF THE DEPARTMENT OF REVENUE

BRIEF DESCRIPTION

The Department of Revenue proposes to change regulations on mining licenses taxes.

The Alaska Department of Revenue (department) proposes to amend and repeal some existing regulations in the following chapters of Title 15 of the Alaska Administrative Code: 15 AAC 65, Mining License Tax; and 15 AAC 145, Forest Products Business Loan Guarantee. The regulations are proposed for amendment to further define statute language that removed sand and gravel from the definition of mining and to delete obsolete language for application for an extension of time to file. The regulations proposed for repeal are due to repeal of the statutory authority. Other minor changes or additions proposed by the public may also be considered by the department. The department proposes to amend the following regulations:

- (1) **15 AAC 65.040(b), Extensions**, obsolete language is to be removed;
- (2) **15 AAC 65.125(e), Deductible mining expenses; other expenses; depletion**, language superseded by AS 43.65.060 is to be removed;
- (3) **15 AAC 65.200(a), Temporary exemption for new mining operation**, language superseded by AS 43.65.060 is to be removed.
- (4) **15 AAC 65.990, Definitions**, language superseded by AS 43.65.060 is to be removed, conforming changes added, and new definitions added for “marketable earth” and “quarry rock.”
- (5) **15 AAC 145.10 – .90, Forest products business loan guarantee**, the statutory authority was repealed.

You may comment on the proposed regulation changes, including the costs to private persons of complying with the proposed changes, by submitting written comments to: Susan Jakonis, Income & Excise Tax Specialist, Alaska Department of Revenue, 550 W. 7th Ave., Ste. 500, Anchorage, AK 99501. Additionally, the Department of Revenue will accept comments by electronic mail to susan.jakonis@alaska.gov, or by facsimile at (907) 269-6644. **Comments must be received no later than 4:00 p.m., on Monday, October 26, 2020.**

You may submit written questions relevant to the proposed action to Susan Jakonis. The questions must be received at least 10 days before the end of the public comment period. The department will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and Tax Division website at (<http://www.tax.alaska.gov>).

A copy of the proposed regulation changes is available on the Alaska Online Public Notice System, the Tax Division website, and by contacting Susan Jakonis.

After the public comment period ends on Thursday, October 26, 2020, the department will either adopt the proposed regulation changes or other provisions dealing with the same subject, without further notice, or decide to take no action. The language of the final regulation may be different from that of the proposed regulation. **You should comment during the time allowed if your interests could be affected.** Written comments received are public records and are subject to public inspection.

Statutory Authority: AS 43.05.080, AS 45.94.020, AS 45.94.030, and AS 45.94.050.

Statutes Being Implemented, Interpreted, or Made Specific: AS 43.65.010–.020; AS 43.65.060.

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

The department keeps a list of individuals and organizations interested in its regulations. Those on the list will automatically be sent a copy of all of the department's notices of proposed regulation changes. If you would like to be added or removed from the department's "Interested Parties" list server to receive email notification of any proposed action you may do so at <http://list.state.ak.us>. Simply scroll down to the links beginning with "tax-".

The department reserves the right to waive technical defects in this publication. Individuals with disabilities who may need auxiliary aides, services, or special modifications to participate in this process must contact the above address, email, or the TDD number (907) 269-8411 by **4:00 pm, Monday, October 19, 2020.**

September 18, 2020
Anchorage, Alaska


Colleen M. Glover
Director, Tax Division
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