



## HOW YOU CAN HELP:

Join us at [KeepAlaskaCompetitive.com](http://KeepAlaskaCompetitive.com) and sign up for KEEP's E-newsletter.

Like us on Facebook and share our posts with your colleagues, co-workers, friends and family.

Urge your legislators to support a durable, sustainable and balanced state fiscal plan that provides for stable, competitive tax policies.

Participate in the dialogue: write letters to the editor of your local paper; post factual, positive comments online, and call in to your local radio talk shows.

## ALASKA CAN NO LONGER KICK ITS FISCAL CRISIS DOWN THE ROAD

Alaska is teetering between resumed growth and continued recession. Our economy lost 12,000 jobs and is down 17 percent since late 2015. Oil production is a mere shadow of its peak and our pipeline is three-quarters empty. We need a stable fiscal plan to attract investment and increase oil production. We cannot continue to threaten the oil industry with new taxes and unstable tax policies and expect to compete in a global market.

### WE NEED A SOLUTION AND WE NEED IT NOW BECAUSE ...

Alaska cannot continue to spend billions of dollars more than it collects in revenues.

If most of Alaska's revenue and jobs come from our resource industries, we cannot tax away their incentive to invest and expect to have a sustainable economy.

### THE SOLUTION TO OUR FISCAL CRISIS IS NOT THAT HARD. WE CAN DEVELOP A DURABLE AND SUSTAINABLE FISCAL PLAN BY:

- » Don't destroy our resource industries with increased taxes and unstable tax policies
- » Continue cutting cost of government
- » Restructure the Permanent Fund
- » Add new revenues, if necessary

### URGE YOUR LEGISLATORS TO SUPPORT A SOLUTION NOW



Photo: Alyeska Pipeline Service Company

## WHO WE ARE:

KEEP Alaska Competitive is a 501(c)(6) organization composed of individual Alaskans, Alaska Native organizations, businesses and labor groups who care deeply about our long-term economic future. We do not take contributions from oil producers.

## OUR MISSION:

To promote investment in resource development and secure Alaska's economic future by advocating for a durable, sustainable and balanced state fiscal plan that provides for stable, competitive tax policies.

## OUR TAX POLICY IS PRODUCING RESULTS

Oil production remained fairly stable last year even though one North Slope field was partially offline for part of the year. This leveling of production is a direct result of the choice Alaskans made in 2014 to support stable oil tax policy by voting to keep SB 21:

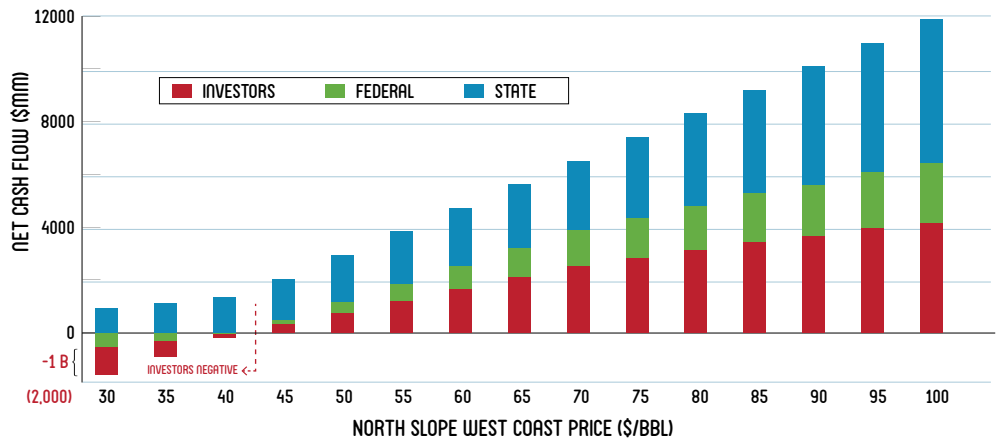
- » FY15: 501,000 bpd
- » FY16: 515,000 bpd
- » FY17: 524,000 bpd
- » FY18: 518,000 bpd
- » FY19: 512,000 bpd (forecast)
- » FY20: 532,000 bpd (forecast)

Exciting new opportunities have been announced in recent months. ConocoPhillips' Willow prospect is estimated to hold 400-750 million barrels of oil, Repsol/Oil Search has the Nanushuk Play at an estimated 1.2 billion barrels and Caelus' Smith Bay discovery could hold 1.8 to 4 billion barrels of oil. These opportunities are also a result of stable oil tax policy. Investors won't put their dollars in Alaska if they believe we are going broke, don't honor our commitments, won't let them earn a fair return and keep changing the rules.

Production and investment are heading in the right direction – let's stay the course for a growing and vibrant oil industry. It takes an annual industry investment of \$3-4 billion to keep production levels stable on the North Slope. That requires a durable and competitive tax policy.

## WHAT IS ALASKA'S SHARE OF OIL REVENUES?

Under our current oil tax policies, the state gets paid even when producers are operating at a loss because it still collects royalties, property tax, income tax and a minimum production tax.



## OUR EXISTING TAX STRUCTURE IS WORKING

Stable tax policies and a balanced fiscal plan are the foundation for a strong Alaska.

