

CHAPTER 47

OIL & GAS TAX INCENTIVE-EXTENSION

Original House Bill No. 45

AN ACT relating to taxation and revenue; extending the severance tax rate for certain oil and gas as specified; requiring a report as specified; and providing for an effective date.

Be It Enacted by the Legislature of the State of Wyoming:

Section 1. W.S. 39-6-302(s) is amended to read:

39-6-302. Excise taxes on extraction of minerals.

(s) Oil and gas produced from wells drilled between July 1, 1993 and March 31, ~~1998-2003~~, except the production from collection wells, is exempt from the excise taxes imposed by subsections (b) and (g) of this section for the first twenty-four (24) months of production on oil production up to sixty (60) barrels per day or its equivalency in gas production, which for purposes of this subsection shall be six (6) MCF gas production for one (1) barrel oil production, or until the price received by the producer for the new production is equal to or exceeds twenty-two dollars (\$22.00) per barrel of oil or two dollars and seventy-five cents (\$2.75) per MCF of natural gas for the preceding six (6) month period of time. Provided however, that a taxpayer claiming a tax reduction under this subsection is prohibited from claiming a tax reduction provided by subsection (j) or (p) of this section.

Section 2. On or before December 1 of 1998 through 2003, the Wyoming oil and gas conservation commission and the mineral tax division of the department of revenue shall report to the joint revenue interim committee on the results of the incentive provided under W.S. 39-6-302(s) as amended by this act.

Section 3. This act is effective immediately upon completion of all acts necessary for a bill to become law as provided by Article 4, Section 8 of the Wyoming Constitution.

Approved March 11, 1998.