

77 LSO - 164

320

AN ACT to amend W.S. 39-227.1:1(c) relating to the mineral severance tax; providing that all oil extracted shall be taxed at the same rate; and providing for an effective date.

William Edwards  
Dennis C. Stuckey

J. R. Hual

**HOUSE BILL** 320

[illegible]

**CONTINUED ON BACK**

1977

STATE OF WYOMING

77LSO-161. 01

HOUSE BILL NO. 320

Severance tax on stripper wells.

Sponsored by: Representative EDWARDS

William C. EdwardsWenmus C. StidleyJohn R. Hunsel

A BILL

for

1 AN ACT to amend W.S. 39-227.1:1(c) relating to the mineral  
2 severance tax; providing that all oil extracted shall be  
3 taxed at the same rate; and providing for an effective  
4 date.

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

6 Section 1. W.S. 39-227.1:1(c) is amended to read:

7 39-227.1:1. Excise tax on extraction of minerals;  
8 amount generally; value of gross product.

9 (c) In addition to the excise tax provided for in  
10 subsection (b) of this section, there is hereby levied  
11 upon the privilege of extracting trona, coal, petroleum,  
12 natural gas, oil shale or any other fossil fuel minerals,  
13 an excise tax of two percent (2%) of the value of the  
14 gross product extracted. The proceeds from the tax are  
15 payable to the department of revenue and taxation and  
16 shall be deposited in the general fund. ~~This subsection~~

HB 320

1 does-not-apply-to-a-property-or-lease-whose-average--daily  
2 production--of--crude-petroleum-and-petroleum-condensates  
3 including-natural-gas-liquids-per-well--did-not-exceed-ten  
4 (10)-barrels-per-day-during-the-preceding--calendar--years  
5 "Average--daily--production"--means--the-qualified-maximum  
6 total-production-of-domestic-crude-petroleum-and-petroleum  
7 condensates--including-natural-gas-liquids--produced--from  
8 a--property-during-the-preceding-calendar-years--divided-by  
9 a-number-equal-to-the-number-of-calendar-days-in-that-year  
10 times-the-number-of-wells-which-produced--crude--petroleum  
11 and--petroleum--condensates--including-natural-gas-liquids  
12 from-that-property-in-that-years--to--qualify--as--maximum  
13 total-production--each-well-on-the-property-must-have-been  
14 maintained--at-the-maximum-feasible-rate-of-production--in  
15 accordance-with-recognized-conservation-practices-and--not  
16 significantly-curtailed-by-reason-of-mechanical-failure-or  
17 other-disruption-in-production

18 Section 2. This act is effective May 27, 1977.

19 (END)

FISCAL NOTE

Fiscal Note No. 156  
 Requester Representative Edwards

L.S.O.	Draft
<u>161</u>	<u>L1</u>
Bill No.	Jt. Res. No.

Part I. Fiscal Data:

SHORT TITLE OF BILL: <u>Severance tax on stripper wells</u>	STATUTORY REFERENCE Nos: <u>W.S: 39-227.1:1(c)</u>	NAME OF FUND <u>General Fund</u>
AGENCY TITLE: SOURCE OF APPROPRIATION/REVENUE <u>Severance tax</u>		New Program ( ) Change in Existing Program (X) Local Government Impact ( )

If more than one appropriation is involved, show overall effect below, but show breakdown by appropriation and fiscal year on a separate page. Round to nearest hundred dollars.

EFFECT OF PROPOSAL	FISCAL PERIODS		
	BIENNIAL INCREASE OR (-) DECREASE		
	First Biennial	Second Biennial	Third Biennial
Salaries & Number of Personnel	\$		
Supporting Expenses			
Permanent Property			
Aids to Localities			
Other			
ESTIMATED TOTAL COST	\$		
	FY 1978	78-80	80-82
GENERAL FUND	897,475	1,806,183	1,819,323
FEDERAL FUND			
OTHER			
ESTIMATED TOTAL REVENUE	\$		
	897,475	1,806,183	1,819,323

Part II. Explain in a clear and concise manner what effect this measure will have on the costs and revenues of state government. Specify the source of funds for appropriations. Include effect on the current biennium and also the long-range fiscal effect, if any. Show how you arrived at the estimate. Use attached sheet and any additional sheets which you may need.

These estimates were made on information developed by legislative staff.

Date <u>1/10/77</u>	Agency <u>[Signature]</u>	Authorized Representative
Date	Legislative Auditor Clearance	

*HB 320*