

HOUSE BILL 46, 1974

Title:

AN ACT to repeal and recreate section 39-224 of the statutes relating to valuation of mineral and other specified production; providing a method of valuing the gross production of hydrocarbons, fissionable material, fossil fuels, minerals and all other valuable deposits; authorizing the adoption of rules; and providing an effective date.

John G. Miller

HOUSE BILL 46, 1974

Introduced by:

John G. Miller

DATE	ACTION	DATE	ACTION
JAN 8 1974	INTRODUCED READ FIRST TIME	FEB 7	CONSIDERED IN COM. OF WHOLE
	REFERRED TO COM. NO. <u>2</u>	FEB 7	STANDING COM. AMT. <u>HB 46551-A</u>
	DELIVERED TO COM. NO. <u>2</u>	" 7	RECEIVED IN PASS
	Yes <u>5</u> / Noes <u>4</u> / Excused <u>2</u> / Absent	FEB 8	READ SECOND TIME
FEB 1 1974	RETURNED	" 9	READ THIRD TIME
	Recommended Amended and Do Pass PLACED ON GENERAL FILE	" 9	AMENDED AS FOLLOWS HB 46553-A
FEB 2 1974	CONSIDERED IN COM. OF WHOLE	" 9	PASSED
	Standing Com. Amendment <u>981346281/A</u> ✓	" 9	Ayes <u>29</u> / Noes <u>1</u> / Excused <u>0</u> / Absent <u>0</u>
	ADOPTED	" 9	SENT TO SENATE
	Amended as follows <u>981346281/A</u> ✓	FEB 9 1974	Received Amended House did concur on Senate Amendments
	ADOPTED		Ayes <u>57</u> / Noes <u>3</u> / Excused <u>0</u> / Absent <u>0</u>
	RECOMMENDED DO <u>PASS</u>		RECEIVED
	To LSA		DELIVERED TO LSA FOR ENROLLING
2-2	Engrossed after <i>Com. of Wholes</i>		RECEIVED FROM LSA ENROLLED
FEB 4 1974	Rules Suspended		BY SPEAKER FEB 11 1974
	READ SECOND TIME		BY PRESIDENT FEB 11 1974
	Read Third Time		APPROVED BY GOVERNOR Feb. 12
	PASSED		SESSION LAWS OF WYOMING
	Ayes <u>57</u> / Noes <u>3</u> / Excused <u>0</u> / Absent <u>0</u>		
Feb. 7	SENT TO SENATE		
" "	ENGROSSED		
" "	Sent to Senate		
Feb. 5	Referred to House Feb. 5		
	Read first time Feb. 5		
	Referred to Com. No. <u>3</u>		
	Delivered to Com. No. <u>3</u>		
FEB 7	AMENDED AND DO PASS		

Roll Call of the Senate

of the
FORTY-SECOND LEGISLATURE
Of Wyoming

	EXCUSED	ABSENT	AYES	NOES
31 BOYLE			✓	
30 CHRISTENSEN			✓	
29 CUNDALL			✓	
28 DAVIS			✓	
27 HITCHCOCK			✓	
26 JEWETT				
25 JOHNSON			✓	
24 JONES			✓	
23 KENDIG			✓	
22 KINNAMAN			✓	
21 LEIMBACK			✓	
20 MADSEN			✓	
19 MAJHANOVICH			✓	
18 MYERS			✓	
17 NICHOLS			✓	
16 NORTHRUP			✓	
15 NOVOTNY			✓	
14 OSTLUND			✓	✓
13 PATTNO			✓	
12 RECTOR			✓	
11 ROGERS			✓	
10 SEARL			✓	
9 SEDAR			✓	
8 SMITH			✓	
7 STAFFORD			✓	
6 STROOCK			✓	
5 TAGGART			✓	
4 THOMPSON			✓	
3 TOBIN Kimball			✓	
2 WALLOP			✓	
1 MR. PRESIDENT			✓	

PRESENT AYES 29
 NOES 1
 EXCUSED 0
 ABSENT 0
 TOTAL 30

Roll Call of the Senate

of the
FORTY-SECOND LEGISLATURE
Of Wyoming

	EXCUSED	ABSENT	AYES	NOES
31 BOYLE			✓	
30 CHRISTENSEN			✓	
29 CUNDALL			✓	
28 DAVIS			✓	
27 HITCHCOCK			✓	
26 JEWETT			✓	
25 JOHNSON			✓	
24 JONES			✓	
23 KENDIG			✓	
22 KINNAMAN			✓	
21 LEIMBACK			✓	
20 MADSEN			✓	
19 MAJHANOVICH			✓	
18 MYERS			✓	
17 NICHOLS			✓	
16 NORTHRUP			✓	
15 NOVOTNY			✓	
14 OSTLUND			✓	✓
13 PATTNO			✓	
12 RECTOR			✓	
11 ROGERS			✓	
10 SEARL			✓	
9 SEDAR			✓	
8 SMITH			✓	
7 STAFFORD			✓	
6 STROOCK			✓	
5 TAGGART			✓	
4 THOMPSON			✓	
3 TOBIN <i>Kimball</i>			✓	
2 WALLOP			✓	
1 MR. PRESIDENT			✓	

PRESENT AYES 29
 NOES 1
 EXCUSED 0
 ABSENT 0
 TOTAL 30

HB 46

HB 46 for Intro

Date 1-28-74

Roll Call of the House

of the
FORTY-SECOND LEGISLATURE
Of Wyoming

	EXCUSED	ABSENT	AYES	NOES		EXCUSED	ABSENT	AYES	NOES
63 ARNEY			✓		28 MORTON			✓	
62 BURNETT			✓		27 MULVANEY				
61 BUTTERFIELD			✓		26 MURRAY			✓	
60 CAMPBELL			✓		25 MYERS			✓	
59 CHASTEEN			✓		24 O'NEIL			✓	
58 COPENHAVER			✓		23 OSLUND			✓	
57 CROWLEY			✓		22 PARKS	EX			
56 CROSS			✓		21 PECK			✓	
55 CURRY			✓		20 PHELAN			✓	
54 DAILY			✓		19 PROSSER			✓	
53 DAVIS					18 RHODES			✓	
52 DONLEY			✓		17 ROTH	EX			
51 DOWNING			✓		16 SADLER			✓	
50 ENGEN			✓		15 SCHLISKE			✓	
49 FLEISCHLI			✓		14 SCOTT			✓	
48 FRISBY			✓		13 SIDI			✓	
47 GAGE			✓	✓	12 SIMPSON			✓	
46 GEESEY			✓	✓	11 SMITH			✓	
45 GRAHAM			✓	✓	10 STEWART			✓	
44 GREENHALGH			✓	✓	9 STICKLEY			✓	✓
43 HELLBAUM			✓		8 TRUE			✓	
42 HOLLAND			✓		7 TROWBRIDGE			✓	
41 HARRIS			✓		6 TURNER			✓	
40 HOY			✓		5 URBIGKIT			✓	
39 JENNINGS			✓		4 WILKINS			✓	
38 JONES			✓		3 ZIMMER			✓	
37 KELLY			✓		2 ZUMBRUNNEN			✓	
36 McDANIEL			✓		1 MR. SPEAKER			✓	
35 McMILLAN			✓		<div>PRESENT</div> <div>AYES 56</div> <div>NOES 4</div> <div>EXCUSED 2</div> <div>ABSENT</div> <div>TOTAL 62</div>				
34 MEENAN			✓						
33 MEIER			✓						
32 MENDICINO			✓						
31 MILLION			✓						
30 MOCKLER			✓	✓					
29 MORRISON			✓						

#

Date

Roll Call of the House

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FORTY-SECOND LEGISLATURE
Of Wyoming

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63 ARNEY			✓		28 MORTON			✓	
62 BURNETT			✓		27 MULVANEY				
61 BUTTERFIELD			✓		26 MURRAY			✓	
60 CAMPBELL			✓		25 MYERS	Ex			
59 CHASTEEN			✓		24 O'NEIL			✓	
58 COPENHAVER			✓		23 OSLUND			✓	
57 CROWLEY	EX		✓		22 PARKS			✓	
56 CROSS			✓		21 PECK			✓	
55 CURRY			✓		20 PHELAN	Ex			
54 DAILY			✓		19 PROSSER			✓	
53 DAVIS					18 RHODES			✓	
52 DONLEY		✓			17 ROTH			✓	
51 DOWNING			✓		16 SADLER			✓	
50 ENGEN			✓		15 SCHLISKE			✓	
49 FLEISCHLI			✓		14 SCOTT			✓	
48 FRISBY			✓		13 SIDI			✓	
47 GAGE			✓		12 SIMPSON			✓	
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45 GRAHAM			✓		10 STEWART			✓	
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36 McDANIEL			✓		1 MR. SPEAKER			✓	
35 McMILLAN			✓						
34 MEENAN			✓						
33 MEIER			✓						
32 MENDICINO			✓						
31 MILLION			✓						
30 MOCKLER			✓						
29 MORRISON			✓	✓					

PRESENT.....

AYES..... 55

NOES..... 3

EXCUSED..... 2

ABSENT..... 2

TOTAL..... 62

#

HB46

Concurrence in Senate Amended

Date

2-9-74

Roll Call of the House

of the
FORTY-SECOND LEGISLATURE
Of Wyoming

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63 ARNEY			✓		28 MORTON			✓	
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34 MEENAN			✓						
33 MEIER			✓						
32 MENDICINO			✓						
31 MILLION			✓						
30 MOCKLER			✓						
29 MORRISON			✓						

PRESENT.....

AYES..... 39

NOES..... 3

EXCUSED.....

ABSENT.....

TOTAL..... 62

1974

STATE OF WYOMING

74LSO-095/eng2
GWF

HOUSE BILL NO. 46

Mineral valuation.

Sponsored by: Representative MORTON

A BILL

for

1 AN ACT to repeal and recreate section 39-224 of the stat-
2 utes relating to valuation of mineral and other specified
3 production; providing a method of valuing the gross pro-
4 duction of hydrocarbons, fissionable material, fossil
5 fuels, minerals and all other valuable deposits; authoriz-
6 ing the adoption of rules; and providing an effective
7 date.

8 Be It Enacted by the Legislature of the State of Wyoming.

9 Section 1. Section 39-224 of the statutes is
10 repealed and recreated to read:

11 39-224. Valuation; rules and regulations.

12 (a) Based upon the information received or procured
13 pursuant to section 39-223 of the statutes, the department
14 of revenue and taxation shall annually fix the value of
15 the gross product, in appropriate unit measures, of all
16 mines and mining claims from which hydrocarbons,

1 fissionable materials, fossil fuels, minerals or other
2 valuable deposits are produced at the fair cash market
3 value of the product at the mine or mining claim where
4 produced, after the mining or production process is com-
5 pleted, provided:

6 (i) Where the application of the method speci-
7 fied in 39-224(a) above results in the fixing of the unit
8 value of the product of any one coal mine producing less
9 than ten thousand (10,000) tons of coal per year at a unit
10 value which varies by more than three hundred percent
11 (300%) from that of other mines with a like product of
12 comparable quality, then in such case the department of
13 revenue and taxation is directed to fix a weighted average
14 value based on the quantities involved at each said fair
15 cash market value at the mine where produced after the
16 mining process is completed and before any beneficiation
17 or transportation cost.

18 (ii) If the fair cash market value of such
19 product is not established by bona fide sale at the mine
20 or mining claim, the market value shall be determined by
21 reference to the sale price at the point of sale for like
22 mineral products of similar quality from mines or mining
23 claims similarly situated less any beneficiation and
24 transportation costs incurred after completion of the

1 mining or production process; or

2 (iii) For unique mineral products for which a
3 market value cannot be established by reference to bona
4 fide sales of similar products in arms-length trans-
5 actions, the value shall be determined by reference to
6 sales prices, if any, received in arms-length transactions
7 for other products which can be put to comparable bene-
8 ficial uses and by reference to factors relevant to the
9 commercial value of such products, following completion of
10 the mining or production process.

11 (b) The department of revenue and taxation shall
12 adopt and promulgate such rules or regulations as shall be
13 deemed necessary and proper to effect the purposes of this
14 act.

15 Section 2. This act is effective immediately upon
16 passage.

17 (END)

1974

STATE OF WYOMING

74LSO-095/eng2
GWF

HOUSE BILL NO. 46

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Sponsored by: Representative MORTON

A BILL

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11 (300%) from that of other mines with a like product of
12 comparable quality, then in such case the department of
13 revenue and taxation is directed to fix a weighted average
14 value based on the quantities involved at each said fair
15 cash market value at the mine where produced after the
16 mining process is completed and before any beneficiation
17 or transportation cost.

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19 product is not established by bona fide sale at the mine
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17 (END)

HOUSE BILL NO. 46

Mineral valuation.

Sponsored by: Representative MORTON

A BILL

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17 (END)

1974

STATE OF WYOMING

74LSO-095/eng2
GWF

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A BILL

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17 (END)

SENATE ENGROSSED

1974

STATE OF WYOMING

74LSO-095/eng
GWF

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17 value shall be determined by reference to sales prices, if
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19 ucts which can be put to comparable beneficial uses and by
20 reference to factors relevant to the commercial value of
21 such products, following completion of the mining or pro-
22 duction process.

23 (b) The department of revenue and taxation shall

1 adopt and promulgate such rules or regulations as shall be
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10 mineral products of similar quality from mines or mining
11 claims similarly situated less any beneficiation and trans-
12 portation costs incurred after completion of the mining
13 or production process; or

14 (ii) For unique products for which a market
15 value cannot be established by reference to bona fide
16 sales of similar products in arms-length transactions, the
17 value shall be determined by reference to sales prices, if
18 any, received in arms-length transactions for other prod-
19 ucts which can be put to comparable beneficial uses and by
20 reference to factors relevant to the commercial value of
21 such products, following completion of the mining or pro-
22 duction process.

23 (b) The department of revenue and taxation shall

1 adopt and promulgate such rules or regulations as shall be
2 deemed necessary and proper to effect the purposes of this
3 act.

4 Section 2. This act is effective immediately upon
5 passage.

6 (END)

1974

STATE OF WYOMING

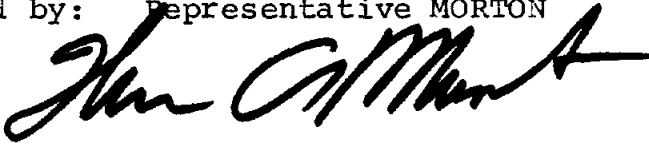
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HOUSE BILL NO. 46

Mineral valuation.

Sponsored by: Representative MORTON



A BILL

for

1 AN ACT to repeal and recreate section 39-224 of the stat-
2 utes relating to valuation of mineral and other specified
3 production; providing a method of valuing the gross pro-
4 duction of hydrocarbons, fissionable material, fossil
5 fuels, minerals and all other valuable deposits; authoriz-
6 ing the adoption of rules; and providing an effective
7 date.

8 Be It Enacted by the Legislature of the State of Wyoming.

9 Section 1. Section 39-224 of the statutes is
10 repealed and recreated to read:

11 39-224. Valuation; rules and regulations.

12 (a) Based upon the information received or procured
13 pursuant to section 39-223 of the statutes, the department
14 of revenue and taxation shall annually fix the value of
15 the gross production, in appropriate unit measures, of all
16 mines and mining claims from which hydrocarbons,

1 fissionable materials, fossil fuels, minerals and all
2 other valuable deposits are produced by deducting from the
3 selling price at the point of delivery or transfer to the
4 purchaser or commercial carrier at the loading facility of
5 the producer, the costs of all extraordinary processing
6 which beneficiate the product beyond its first saleable
7 stage and transportation between the mining property and
8 the beneficiating facility only when and to the extent
9 they are separated by a substantial distance. In the
10 event the product is not sold in an arms length trans-
11 action, the value shall be determined by using the selling
12 price at the loading facility of a similar or comparable
13 producer, and any similar or comparable costs of extraor-
14 dinary processing of a like or similar product. For
15 unique products that have no like or similar sale and
16 costs, the value shall be determined by adding twenty per-
17 cent (20%) to the cost of mining or production plus a
18 reasonable royalty.

19 (b) The department of revenue and taxation shall
20 adopt and promulgate such rules as shall be deemed neces-
21 sary and proper to determine the selling price, trans-
22 portation cost and allowable beneficiation cost for the
23 various products.

HB46S32-A

Page 2, After Line 5 insert new subsection (i) and renumber the following two paragraphs:

Insert
(1)

"(1) WHERE THE APPLICATION OF THE METHOD SPECIFIED IN 39-224(a) ABOVE RESULTS IN THE FIXING OF THE UNIT VALUE OF THE PRODUCT OF ANY ONE COAL MINE PRODUCING LESS THAN 10,000 TONS OF COAL PER YEAR AT A UNIT VALUE WHICH VARIES BY MORE THAN THREE HUNDRED PERCENT (300%) FROM THAT OF OTHER MINES WITH A LIKE PRODUCT OF COMPARABLE QUALITY, THEN IN SUCH CASE THE DEPARTMENT OF REVENUE AND TAXATION IS DIRECTED TO FIX A WEIGHTED AVERAGE VALUE BASED ON THE QUANTITIES INVOLVED AT EACH SAID FAIR CASH MARKET VALUE AT THE MINE WHERE PRODUCED AFTER THE MINING PROCESS IS COMPLETED AND BEFORE ANY BENEFICIATION OR TRANSPORTATION COST." - Stroock

H. B. 46

HD46SS1-A

Page 2, Line 14 Following "unique" insert "mineral". -
Jones

Mr. Speaker:

Your Committee No. 9 on Mines, Minerals and Industrial Development to whom was referred House Bill No. 46 respectfully reports same back to the House with the recommendation that it DO PASS with the following amendments:

page 1, line 15, Substitute "product" for "production".

page 2, line 1, Substitute "or" for "and" and delete "all".

page 2, line 2, Delete "by deducting from the".

page 2, lines 3 through 18, Delete these lines and substitute therefor the following:

"at the fair cash market value of the product at the mine or mining claim where produced, after the mining or production process is completed, provided:

(i) If the fair cash market value of such product is not established by bona fide sale at the mine or mining claim, the market value shall be determined by reference to the sale price at the point of sale for like products from mines or mining claims similarly situated less any beneficiation and transportation costs incurred after completion of the mining or production process; or

(ii) For unique products for which a market value cannot be established by reference to bona fide sales of similar products in arms-length transactions, the value shall be determined by reference to sales prices, if any, received in arms-length transactions for other products which can be put to comparable beneficial uses and by reference to factors relevant to the commercial value of such products, following completion of the mining or production process."

page 2, line 20, After "rules" insert "or regulations".

page 2, line 21, Substitute "effect the purposes of this act." for "determine the selling price, trans-".

*of similar
quality*

mineral

*Insert
①*

N.B. 46

PAGE 2, LINES 22 & 23, Delete the entire lines.

Respectfully,


Committee Chairman
PKS

Agos

Plasser
Million
Starkley
Wilkins
Morton

Excess


Graham
Hoy
Graham & L
Million


HB46HW1/A

In standing committee amendment (HB46HS1)

Page 2, lines 3 through 18, after words "sale for like"
insert "mineral"

After "products" insert "of similar quality"

Meier 


2/2 (9)