

ENROLLED ACT NO. 19, SENATE

FIFTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING
2002 SPECIAL SESSION

AN ACT relating to taxation and revenue; providing for the taxation of certain oilfield services as specified; requiring reports; and providing for an effective date.

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

Section 1. W.S. 39-15-101(a) by creating a new paragraph (xviii), 39-15-103(a) (i) (K) and 39-15-105(a) (viii) (B) are amended to read:

39-15-101. Definitions.

(a) As used in this article:

(xviii) "Well site" means an area within a two hundred fifty (250) foot radius of an oil or gas wellbore.

39-15-103. Imposition.

(a) Taxable event. The following shall apply:

(i) Except as provided by W.S. 39-15-105, there is levied an excise tax upon:

(K) The sales price paid for ~~contract seismographic surveying, contract geophysical surveying and other contract geophysical exploration operations calculated to reveal the existence of geologic conditions favorable to the accumulation of oil or gas, and for all services rendered in and all types of coring, logging, testing, stimulating, perforating, cementing, completing, recompleting, repairing, equipping for production or abandonment, and all other services in completing or attempting to complete any well for production of oil or gas or as an injection or disposal well for the injection~~

ORIGINAL SENATE
FILE NO. 0013

ENROLLED ACT NO. 19, SENATE

FIFTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING
2002 SPECIAL SESSION

~~of water, gas, air, steam or other substances into any underground stratum, including but not limited to all types of logging, testing, stimulating, perforating or cementing any such well or formation encountered therein~~ all services rendered to real or tangible personal property within an oil or gas well site beginning with and including the setting and cementing of production casing, or if production casing is not set as in the case of an open hole completion, after the completion of the underreaming or the attainment of total depth of the oil or gas well and continuing with all activities sequentially required for the production of any oil or gas well regardless of the chronological occurrence of the activity. All services required during the entire productive life of the well, including recompletion, all the way through abandonment shall be subject to this subparagraph;

39-15-105. Exemptions.

(a) The following sales or leases are exempt from the excise tax imposed by this article:

(viii) For the purpose of exempting sales of services and tangible personal property as an economic incentive, the following are exempt:

(B) Sales of the services of professional engineers, geologists or members of similar professions ~~and charges made by contractors, whether on a per diem, lineal footage, fee or other contract basis for the drilling of any wells for the production or attempted production of oil or gas, or for the deepening of any wells previously drilled for oil or gas below the maximum depth to which they were initially drilled, or for the drilling of stratigraphic test or core holes for the sole purpose of obtaining geologic information~~ including the sales price

ORIGINAL SENATE
FILE NO. 0013

ENROLLED ACT NO. 19, SENATE

FIFTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING
2002 SPECIAL SESSION

paid for all services to real or tangible personal property leading to building location, drilling and all related activities that must be completed prior to setting the production casing, including coring, logging and testing done prior to the setting of production casing for the drilling of any oil or gas well. The exemption in this subparagraph shall also apply to any and all seismographic and geophysical surveying, stratigraphic testing, coring, logging and testing calculated to reveal the existence of geologic conditions favorable to the accumulation of oil or gas;

Section 2. The department of revenue shall report to the joint revenue interim committee no later than October 1, 2003 on the effect of the tax imposed and exemption authorized under this act on revenues collected by the department. The joint revenue interim committee shall make recommendations to the legislature no later than January 15, 2004, with respect to whether the tax imposed and exemption authorized under this act should be continued or modified.

ORIGINAL SENATE
FILE NO. 0013

ENROLLED ACT NO. 19, SENATE

FIFTY-SIXTH LEGISLATURE OF THE STATE OF WYOMING
2002 SPECIAL SESSION

Section 3. This act is effective July 1, 2002.

(END)

Speaker of the House

President of the Senate

Governor

TIME APPROVED: _____

DATE APPROVED: _____

I hereby certify that this act originated in the Senate.

Chief Clerk