

HOUSE BILL NO. HB0191

Severance tax for capital construction.

Sponsored by: Representative(s) Osborn and Senator(s)
Schiffer

A BILL

for

1 AN ACT relating to taxation and revenue; imposing a
2 severance tax on coal, oil and gas for capital facilities
3 as specified; providing for distribution; providing for
4 expiration of the tax; and providing for an effective date.

5

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

7

8 **Section 1.** W.S. 9-4-219 is created to read:

9

10 **9-4-219. Capital facilities construction account.**

11

12 (a) There is created the capital facilities
13 construction account within the special revenue fund. The
14 state treasurer shall deposit all monies collected from the
15 severance tax imposed by W.S. 39-14-104(a)(vii) and

1 39-14-204(a)(v) into the account created by this
2 subsection.

3

4 (b) Of the revenue received by the account created
5 pursuant to subsection (a) of this section, the state
6 treasurer shall quarterly of each year transfer seventy
7 percent (70%) of the monies to the public school capital
8 construction account. The transfer shall continue until a
9 total of five hundred thirty-two million dollars
10 (\$532,000,000.00) has been transferred from the account
11 created by subsection (a) of this section. The remainder of
12 the revenue shall be used for the purposes of capital
13 facilities construction in this state as recommended by the
14 state building commission in accordance with the provisions
15 of W.S. 9-5-107 and 9-5-108.

16

17 **Section 2.** W.S. 39-14-104(a)(intro), (vi) and by
18 creating a new paragraph (vii), 39-14-111 by creating a new
19 subsection (m), 39-14-204(a)(intro), (iv) and by creating a
20 new paragraph (v) and 39-14-211 by creating a new
21 subsection (k) are amended to read:

22

23 **39-14-104. Tax rate.**

24

1 (a) Except as otherwise provided by W.S. 39-14-105,
2 the total severance tax rate for surface coal shall be
3 ~~seven percent (7%)~~ eight and one-half percent (8.5%). This
4 rate comprises one and one-half percent (1.5%) imposed by
5 Wyoming constitution article 15, section 19, and ~~five and~~
6 ~~one-half percent (5.5%)~~ seven percent (7%) imposed
7 statutorily. The tax shall be distributed as provided in
8 W.S. 39-14-111 and is imposed as follows:

9

10 (vi) One-half percent (.5%) ~~;~~ plus

11

12 (vii) One and one-half percent (1.5%). The tax
13 levied by this paragraph shall expire on January 1 next
14 following the year in which the sum of the taxes collected
15 pursuant to this paragraph and W.S. 39-14-204(a)(v) total
16 eight hundred fifteen million dollars (\$815,000,000.00).

17

18 **39-14-111. Distribution.**

19

20 (m) The state treasurer shall deposit the revenue
21 collected under W.S. 39-14-104(a)(vii) into the capital
22 facilities revenue account within the special revenue fund
23 pursuant to W.S. 9-4-219.

24

1 **39-14-204. Tax rate.**

2

3 (a) Except as otherwise provided by this section and
4 W.S. 39-14-205, the total severance tax on crude oil, lease
5 condensate or natural gas shall be ~~six percent (6%)~~ seven
6 and one-half percent (7.5%), comprising one and one-half
7 percent (1.5%) imposed by the Wyoming constitution article
8 15, section 19 and the remaining amount imposed by Wyoming
9 statute. The tax shall be distributed as provided in W.S.
10 39-14-211 and is imposed as follows:

11

12 (iv) Two percent (2%), except for the period
13 January 1, 1999 through December 31, 1999, the rate for
14 crude oil production under this paragraph shall be one
15 percent (1%). If the average monthly price received by
16 Wyoming crude oil producers as determined by the department
17 of revenue equals or exceeds twenty dollars (\$20.00) per
18 barrel for three (3) consecutive months, the reduced tax
19 rate of one percent (1%) specified in this paragraph for
20 the period of January 1, 1999 through December 31, 1999
21 shall terminate; ~~+~~ plus

22

23 (v) One and one-half percent (1.5%). The tax
24 levied by this paragraph shall expire on January 1 next

1 following the year in which the sum of the taxes collected
2 pursuant to this paragraph and W.S. 39-14-104(a)(vii) total
3 eight hundred fifteen million dollars (\$815,000,000.00).

4

5 **39-14-211. Distribution.**

6

7 (k) The state treasurer shall deposit the revenue
8 collected under W.S. 39-14-204(a)(v) into the capital
9 facilities revenue account within the special revenue fund
10 pursuant to W.S. 9-4-219.

11

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

13

14

(END)