

WORKING DRAFT

HOUSE BILL NO. _____

Severance tax reduction for lower utility bills.

Sponsored by:

A BILL

for

1 AN ACT relating to taxation and revenue; providing for a
 2 severance tax exemption for a reduction in natural gas
 3 price as specified; providing for certification of the
 4 price reduction; providing for rules and regulations; and
 5 providing for an effective date.

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

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9 **Section 1.** W.S. 39-14-205 by creating a new
 10 subsection (m) is amended to read:

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12 **39-14-205. Exemptions.**

13

14 (m) Natural gas produced in this state shall be exempt
 15 from the tax imposed by W.S. 39-14-204(a)(iii) if the

1 taxpayer liable for the payment of the tax certifies to the
2 public service commission that he has passed along the
3 amount realized by the reduction in severance tax to the
4 purchaser of the natural gas. The exemption provided by
5 this subsection shall only be applied to natural gas which
6 is consumed in this state. The public service commission
7 may require proper documentation of the price reduction.
8 The public service commission shall certify the price
9 reduction to the department of revenue. The total amount
10 of taxes exempted from the tax imposed by W.S. 39-14-
11 204(a)(iii) in any calendar year shall not exceed two
12 million dollars (\$2,000,000.00). The department shall
13 promulgate reasonable rules and regulations for the
14 implementation of this subsection.

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16 **Section 2.** This act is effective immediately upon
17 completion of all acts necessary for a bill to become law
18 as provided by Article 4, Section 8 of the Wyoming
19 Constitution.

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21

(END)