

WEST VIRGINIA LEGISLATURE FILED

2016 MAR 23 P 4: 50

2016 REGULAR SESSION

OFFICE WEST VIRGINIA
SECRETARY OF STATE

SB 505

Enrolled

Senate Bill 505

BY SENATOR HALL

[Passed March 11, 2016; in effect 90 days from passage]

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1 AN ACT to amend and reenact the Code of West Virginia, 1931, as amended, by adding thereto
2 a new section, designated §11-14C-9a, relating to exempting from motor fuel excise tax
3 certain uses of field gas; and defining field gas.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
2 section, designated §11-14C-9a, to read as follows:

ARTICLE 14C. MOTOR FUEL EXCISE TAX.

§11-14C-9a. Additional exemptions from tax.

1 (a) *Additional per se exemptions from flat rate component of tax.* — In addition to the
2 provisions of section nine of this article, sales of motor fuel to the following, or as otherwise stated
3 in this subsection, are exempt per se from the flat rate of the tax levied by section five of this
4 article and the flat rate may not be paid at the rack:

5 Field gas used as fuel to run drilling equipment, compressor engines and other stationary
6 internal combustion engines not used on the roads of this state: *Provided*, That any royalty
7 payments shall have previously been paid to the appropriate mineral owners pursuant to the terms
8 of any existing lease. For purposes of this exemption, “field gas” means “natural gas” or any
9 derivative thereof, extracted from a production well, storage well, gathering system, pipeline, main
10 or transmission line that is used as fuel to power field equipment. The term “field gas” does not
11 include compressed natural gas, liquefied natural gas, liquefied petroleum gas, gasoline, diesel,
12 kerosene or other fuels used to power motor vehicles.

13 (b) *Additional per se exemptions from variable component of tax.* — In addition to the
14 provisions of section nine of this article, sales of motor fuel to the following are exempt per se
15 from the variable component of the tax levied by section five of this article and the variable
16 component may not be paid at the rack:

17 Field gas used as fuel to run drilling equipment, compressor engines and other stationary
18 internal combustion engines not used on the roads of this state: *Provided*, That any royalty
19 payments shall have previously been paid to the appropriate mineral owners pursuant to the terms

20 of any existing lease. For purposes of this exemption, "field gas" means "natural gas" or any
21 derivative thereof, extracted from a production well, storage well, gathering system, pipeline, main
22 or transmission line that is used as fuel to power field equipment. The term "field gas" does not
23 include compressed natural gas, liquefied natural gas, liquefied petroleum gas, gasoline, diesel,
24 kerosene or other fuels used to power motor vehicles.

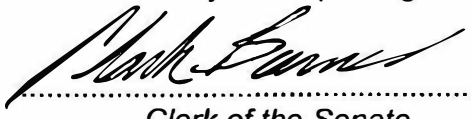
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.


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Member — Chairman, Senate Committee


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Chairman, House Committee

Originated in the Senate.

In effect 90 days from passage.


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Clerk of the Senate


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Clerk of the House of Delegates


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President of the Senate


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Speaker of the House of Delegates

The within is..... approved..... this the 23rd.....
Day of March....., 2016.


.....
Governor

PRESENTED TO THE GOVERNOR

MAR 23 2015

Time 10:52 am