

HB 2749

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WEST VIRGINIA LEGISLATURE

FIRST REGULAR SESSION, 1999



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FOR

House Bill No. 2749

(By Delegates Cann, Coleman,
Laird, Kominar and Jenkins)



Passed March 12, 1999

In Effect Ninety Days from Passage

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H. B. 2749

(BY DELEGATES CANN, COLEMAN,
LAIRD, KOMINAR AND JENKINS)

[Passed March 12, 1999; in effect ninety days from passage.]

AN ACT to amend and reenact section three-a, article thirteen-a, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to exemptions of certain natural gas and oil production from imposition of the severance tax.

Be it enacted by the Legislature of West Virginia:

That section three-a, article thirteen-a, chapter eleven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 13A. SEVERANCE TAXES.

§11-13A-3a. Imposition of tax on privilege of severing natural gas or oil.

- 1 (a) *Imposition of tax.* — For the privilege of engaging or
- 2 continuing within this state in the business of severing natural
- 3 gas or oil for sale, profit or commercial use, there is hereby

4 levied and shall be collected from every person exercising such
5 privilege an annual privilege tax: *Provided*, That effective for
6 all taxable periods beginning on or after the first day of January,
7 two thousand, there is an exemption from the imposition of the
8 tax provided for in this article on the following: (1) Free natural
9 gas provided to any surface owner; (2) natural gas produced
10 from any well which produced an average of less than five
11 thousand cubic feet of natural gas per day during the calendar
12 year immediately preceding a given taxable period; (3) oil
13 produced from any oil well which produced an average of less
14 than one-half barrel of oil per day during the calendar year
15 immediately preceding a given taxable period; and (4) for a
16 maximum period of ten years, all natural gas or oil produced
17 from any well which has not produced marketable quantities of
18 natural gas or oil for five consecutive years immediately
19 preceding the year in which a well is placed back into produc-
20 tion and thereafter produces marketable quantities of natural
21 gas or oil.

22 (b) *Rate and measure of tax.* — The tax imposed in
23 subsection (a) of this section shall be five percent of the gross
24 value of the natural gas or oil produced, as shown by the gross
25 proceeds derived from the sale thereof by the producer, except
26 as otherwise provided in this article.

27 (c) *Tax in addition to other taxes.* — The tax imposed by
28 this section shall apply to all persons severing gas or oil in this
29 state, and shall be in addition to all other taxes imposed by law.

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



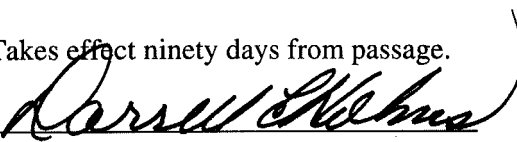
Chairman Senate Committee



Chairman House Committee

Originating in the House.

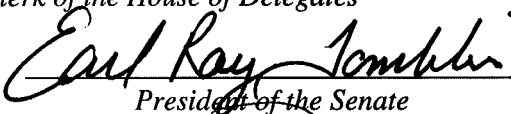
Takes effect ninety days from passage.



Clerk of the Senate



Clerk of the House of Delegates

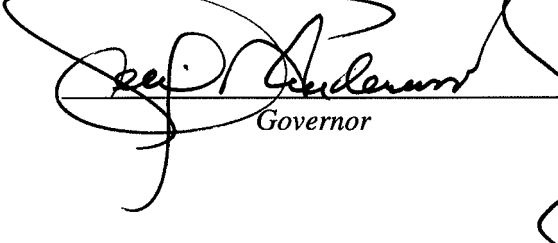


President of the Senate



Speaker of the House of Delegates

The within approved this the 27th
day of March 1999.



Governor

PRESENTED TO THE

GOVERNOR

Date 3/22/99

Time 10:22 am