

WORKING DRAFT

HOUSE BILL NO. _____

Sales tax exemption-oil & gas well.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to taxation and revenue; providing for the
2 taxation of the deepening of an existing oil and gas well
3 as specified; and providing for an effective date.

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

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7 **Section 1.** W.S. 39-15-103(a)(i)(K) is amended to
8 read:

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10 **39-15-103. Imposition.**

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12 (a) Taxable event. The following shall apply:

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

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17 (K) The sales price paid for all services
18 rendered to real or tangible personal property within an
19 oil or gas well site beginning with and including the
20 setting and cementing of production casing, or if
21 production casing is not set as in the case of an open hole
22 completion, after the completion of the underreaming or the
23 attainment of total depth of the oil or gas well and
24 continuing with all activities sequentially required for

1 the production of any oil or gas well regardless of the
2 chronological occurrence of the activity. All services
3 required during the entire productive life of the well,
4 including recompletion, all the way through abandonment
5 shall be subject to this subparagraph. If, after the well
6 has been completed and has produced oil or gas, or both,
7 the well is subsequently deepened, the activities directly
8 involved in deepening the well up to the setting and
9 cementing of production casing shall not be taxable;

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Section 2. This act is effective July 1, 2006.

(END)