

HOUSE BILL NO. HB0091

Economic diversification incentives for mineral exploration.

Sponsored by: Representative(s) Miller, Burkhardt, Flitner, Hallinan, Harshman, Laursen, Lindholm and Salazar and Senator(s) Bebout, Coe and Dockstader

A BILL

for

1 AN ACT relating to taxation and revenue; providing for a
2 severance tax credit for certain mineral exploration as
3 specified; providing procedures; providing for a report;
4 providing for rules and regulations; providing
5 applicability; and 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. 39-14-109(d) by creating a new
10 paragraph (iv), 39-14-209(d) by creating a new paragraph
11 (iv), 39-14-309(d) by creating a new paragraph (iv),
12 39-14-409(d) by creating a new paragraphs (iv),
13 39-14-509(d) by creating a new paragraph (iv), 39-14-609(d)

1 by creating a new paragraph (iv) and 39-14-709(d) by
2 creating a new paragraph (iv) are amended to read:

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4 **39-14-109. Taxpayer remedies.**

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6 (d) Credits. The following shall apply:

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8 (iv) The following shall apply to and constitute
9 a mineral exploration tax credit:

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11 (A) Any person who has paid the tax levied
12 pursuant to W.S. 39-14-103 and who is conducting or funding
13 mineral exploration activities which are performed in this
14 state for the purpose of determining the existence,
15 location, quantity or quality of a locatable or leasable
16 mineral deposit on private or public land may be eligible
17 for a tax credit as provided by this paragraph. The credit
18 shall only be available for any mineral which is currently
19 not being produced in the county in which the exploration
20 activities occur, if the cost of the exploration activities
21 exceed one hundred thousand dollars (\$100,000.00), and all
22 data related to the exploration activity is provided in
23 accordance with this paragraph. Any credit granted pursuant

1 to this paragraph shall not exceed one hundred thousand
2 dollars (\$100,000.00). The mineral exploration activities
3 eligible for the credit shall include:

4

5 (I) Surveying by geophysical or
6 geochemical methods;

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8 (II) Drilling an exploration hole;

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10 (III) Surface trenching and bulk
11 sampling; and

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13 (IV) Performing other exploratory
14 work, including aerial photographs, geological and
15 geophysical logging, sample analysis and metallurgical
16 testing.

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18 (B) A mineral exploration tax credit shall
19 not be allowed under this paragraph for exploration
20 activity which occurs after a mining permit is issued by
21 the Wyoming department of environmental quality for
22 production of the mineral in the county where the
23 exploratory activity occurred;

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(C) Any person wishing to obtain the credit authorized by this paragraph shall submit data and information to the department on an application form and in such manner as approved by the department. The department shall confirm with the Wyoming department of environmental quality that a permit to produce the mineral has not yet been issued. The application shall:

(I) Include a list of expenditures for which the person is seeking credit in a manner approved by the department;

(II) Describe all exploratory activity accomplished during the calendar year covered by the request, the number of employees involved and the names, specialties and number of consultants involved;

(III) Provide a detailed list or ledger of the expenditures and supporting receipts required to complete the exploratory activities described in subdivision (II) of this subparagraph and a list of the types of exploration activity data that resulted from the

1 exploration activity. The receipts required by this
2 subdivision shall be provided to the department for
3 verification. If the department does not object to any of
4 the receipts within seven (7) days, the expenditures shall
5 be deemed to be correct;

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7 (IV) Provide proof that the
8 expenditures for which credit is sought exceeds one hundred
9 thousand dollars (\$100,000.00) for each exploration project
10 in the calendar year;

11
12 (V) Agree to provide all data
13 generated by the exploratory activities for which credit is
14 sought, even if expenditures are more than one hundred
15 thousand dollars (\$100,000.00). All data shall be tied to
16 the Wyoming state plane coordinate system. Accuracy of the
17 data shall reflect the type of data collected and shall be
18 consistent with industry standards as required by the
19 Wyoming geological survey office;

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21 (VI) Agree to provide any other
22 information that the department or Wyoming geological

1 survey office by rule and regulation may reasonably
2 require.

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4 (D) Not more than ninety (90) days
5 following completion and collection of data that is
6 generated from exploratory activities for which credit is
7 sought, all factual and interpretive data as required by
8 this paragraph shall be submitted to the Wyoming geological
9 survey office. The following shall apply:

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11 (I) All data shall be examined by the
12 appropriate specialist in the Wyoming geological survey
13 office. Following examination the Wyoming geological survey
14 office shall transmit a letter to the department indicating
15 whether the data provided complies with the requirements of
16 this paragraph. The department shall transmit a letter to
17 the applicant with a copy to the Wyoming geological survey
18 office either approving or denying the request for a tax
19 credit. Any incomplete submission of data shall subject the
20 application to denial;

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22 (II) Any submitted information shall
23 become the property of the state;

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(III) Any submitted information shall remain confidential until December 31 of the year following the year of the submission;

(IV) If a person applying for the tax credit fails to timely provide the data required by subparagraph (C) of this paragraph the Wyoming department of environmental quality may withhold approval of an exploration or mining permit sought by the person in the future until the data is properly filed.

(E) If the application for the tax credit is granted, the person obtaining the credit may apply the credit against any tax due under W.S. 39-14-104(a)(ii) or (b)(ii) in the year following the calendar year in which the application is granted. In no event shall the credit exceed the lesser of:

(I) Fifty percent (50%) of the person's total tax liability under W.S. 39-14-104(a)(ii) or (b)(ii) for the calendar year following the year in which the application is granted; or

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39-14-209. Taxpayer remedies.

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(II) One hundred thousand dollars (\$100,000.00) for any one (1) calendar year of production.

(F) The department and the Wyoming geological survey office shall promulgate reasonable rules and regulations for the implementation of this paragraph;

(G) The department and the Wyoming geological survey office shall report jointly on the results of the credit authorized by this paragraph annually on or before November 1 of each year to the governor and the legislature.

(d) Credits. The following shall apply:

(iv) The following shall apply to and constitute a mineral exploration tax credit:

(A) Any person who has paid the tax levied pursuant to W.S. 39-14-203 and who is conducting or funding

1 mineral exploration activities which are performed in this
2 state for the purpose of determining the existence,
3 location, quantity or quality of a locatable or leasable
4 mineral deposit on private or public land may be eligible
5 for a tax credit as provided by this paragraph. The credit
6 shall only be available for any mineral which is currently
7 not being produced in the county in which the exploration
8 activities occur, if the cost of the exploration activities
9 exceed one hundred thousand dollars (\$100,000.00), and all
10 data related to the exploration activity is provided in
11 accordance with this paragraph. Any credit granted pursuant
12 to this paragraph shall not exceed one hundred thousand
13 dollars (\$100,000.00). The mineral exploration activities
14 eligible for the credit shall include:

15
16 (I) Surveying by geophysical or
17 geochemical methods;

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19 (II) Drilling an exploration hole;

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21 (III) Surface trenching and bulk
22 sampling; and

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1 (IV) Performing other exploratory
2 work, including aerial photographs, geological and
3 geophysical logging, sample analysis and metallurgical
4 testing.

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6 (B) A mineral exploration tax credit shall
7 not be allowed under this paragraph for exploration
8 activity which occurs after any amounts of oil and gas
9 which must be reported to the Wyoming oil and gas
10 conservation commission have been produced in the county
11 where the exploratory activity occurred;

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13 (C) Any person wishing to obtain the credit
14 authorized by this paragraph shall submit data and
15 information to the department on an application form and in
16 such manner as approved by the department. The department
17 shall confirm with the Wyoming oil and gas conservation
18 commission that a permit to produce the mineral has not yet
19 been issued. The application shall:

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21 (I) Include a list of expenditures for
22 which the person is seeking credit in a manner approved by
23 the department;

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(II) Describe all exploratory activity accomplished during the calendar year covered by the request, the number of employees involved and the names, specialties and number of consultants involved;

(III) Provide a detailed list or ledger of the expenditures and supporting receipts required to complete the exploratory activities described in subdivision (II) of this subparagraph and a list of the types of exploration activity data that resulted from the exploration activity. The receipts required by this subdivision shall be provided to the department for verification. If the department does not object to any of the receipts within seven (7) days, the expenditures shall be deemed to be correct;

(IV) Provide proof that the expenditures for which credit is sought exceeds one hundred thousand dollars (\$100,000.00) for each exploration project in the calendar year;

1 (V) Agree to provide all data
2 generated by the exploratory activities for which credit is
3 sought, even if expenditures are more than one hundred
4 thousand dollars (\$100,000.00). All data shall be tied to
5 the Wyoming state plane coordinate system. Accuracy of the
6 data shall reflect the type of data collected and shall be
7 consistent with industry standards as required by the
8 Wyoming geological survey office;

9

10 (VI) Agree to provide any other
11 information that the department or Wyoming geological
12 survey office by rule and regulation may reasonably
13 require.

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15 (D) Not more than ninety (90) days
16 following completion and collection of data that is
17 generated from exploratory activities for which credit is
18 sought, all factual and interpretive data as required by
19 this paragraph shall be submitted to the Wyoming geological
20 survey office. The following shall apply:

21

22 (I) All data shall be examined by the
23 appropriate specialist in the Wyoming geological survey

1 office. Following examination the Wyoming geological survey
2 office shall transmit a letter to the department indicating
3 whether the data provided complies with the requirements of
4 this paragraph. The department shall transmit a letter to
5 the applicant with a copy to the Wyoming geological survey
6 office either approving or denying the request for a tax
7 credit. Any incomplete submission of data shall subject the
8 application to denial;

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10 (II) Any submitted information shall
11 become the property of the state;

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13 (III) Any submitted information shall
14 remain confidential until December 31 of the year following
15 the year of the submission;

16
17 (IV) If a person applying for the tax
18 credit fails to timely provide the data required by
19 subparagraph (C) of this paragraph the Wyoming oil and gas
20 conservation commission may withhold approval of an
21 exploration or mining permit sought by the person in the
22 future until the data is properly filed.

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1 (E) If the application for the tax credit
2 is granted, the person obtaining the credit may apply the
3 credit against any tax due under W.S. 39-14-204(a)(ii) in
4 the year following the calendar year in which the
5 application is granted. In no event shall the credit
6 exceed the lesser of:

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8 (I) Fifty percent (50%) of the
9 person's total tax liability under W.S. 39-14-204(a)(ii)
10 for the calendar year following the year in which the
11 application is granted; or

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13 (II) One hundred thousand dollars
14 (\$100,000.00) for any one (1) calendar year of production.

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16 (F) The department and the Wyoming
17 geological survey office shall promulgate reasonable rules
18 and regulations for the implementation of this paragraph;

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20 (G) The department and the Wyoming
21 geological survey office shall report jointly on the
22 results of the credit authorized by this paragraph annually

1 on or before November 1 of each year to the governor and
2 the legislature.

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4 **39-14-309. Taxpayer remedies.**

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6 (d) Credits. The following shall apply:

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8 (iv) The following shall apply to and constitute
9 a mineral exploration tax credit:

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11 (A) Any person who has paid the tax levied
12 pursuant to W.S. 39-14-303 and who is conducting or funding
13 mineral exploration activities which are performed in this
14 state for the purpose of determining the existence,
15 location, quantity or quality of a locatable or leasable
16 mineral deposit on private or public land may be eligible
17 for a tax credit as provided by this paragraph. The credit
18 shall only be available for any mineral which is currently
19 not being produced in the county in which the exploration
20 activities occur, if the cost of the exploration activities
21 exceed one hundred thousand dollars (\$100,000.00), and all
22 data related to the exploration activity is provided in
23 accordance with this paragraph. Any credit granted pursuant

1 to this paragraph shall not exceed one hundred thousand
2 dollars (\$100,000.00). The mineral exploration activities
3 eligible for the credit shall include:

4

5 (I) Surveying by geophysical or
6 geochemical methods;

7

8 (II) Drilling an exploration hole;

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10 (III) Surface trenching and bulk
11 sampling; and

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13 (IV) Performing other exploratory
14 work, including aerial photographs, geological and
15 geophysical logging, sample analysis and metallurgical
16 testing.

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18 (B) A mineral exploration tax credit shall
19 not be allowed under this paragraph for exploration
20 activity which occurs after a mining permit is issued by
21 the Wyoming department of environmental quality for
22 production of the mineral in the county where the
23 exploratory activity occurred;

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(C) Any person wishing to obtain the credit authorized by this paragraph shall submit data and information to the department on an application form and in such manner as approved by the department. The department shall confirm with the Wyoming department of environmental quality that a permit to produce the mineral has not yet been issued. The application shall:

(I) Include a list of expenditures for which the person is seeking credit in a manner approved by the department;

(II) Describe all exploratory activity accomplished during the calendar year covered by the request, the number of employees involved and the names, specialties and number of consultants involved;

(III) Provide a detailed list or ledger of the expenditures and supporting receipts required to complete the exploratory activities described in subdivision (II) of this subparagraph and a list of the types of exploration activity data that resulted from the

1 exploration activity. The receipts required by this
2 subdivision shall be provided to the department for
3 verification. If the department does not object to any of
4 the receipts within seven (7) days, the expenditures shall
5 be deemed to be correct;

6
7 (IV) Provide proof that the
8 expenditures for which credit is sought exceeds one hundred
9 thousand dollars (\$100,000.00) for each exploration project
10 in the calendar year;

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12 (V) Agree to provide all data
13 generated by the exploratory activities for which credit is
14 sought, even if expenditures are more than one hundred
15 thousand dollars (\$100,000.00). All data shall be tied to
16 the Wyoming state plane coordinate system. Accuracy of the
17 data shall reflect the type of data collected and shall be
18 consistent with industry standards as required by the
19 Wyoming geological survey office;

20
21 (VI) Agree to provide any other
22 information that the department or Wyoming geological

1 survey office by rule and regulation may reasonably
2 require.

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4 (D) Not more than ninety (90) days
5 following completion and collection of data that is
6 generated from exploratory activities for which credit is
7 sought, all factual and interpretive data as required by
8 this paragraph shall be submitted to the Wyoming geological
9 survey office. The following shall apply:

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11 (I) All data shall be examined by the
12 appropriate specialist in the Wyoming geological survey
13 office. Following examination the Wyoming geological survey
14 office shall transmit a letter to the department indicating
15 whether the data provided complies with the requirements of
16 this paragraph. The department shall transmit a letter to
17 the applicant with a copy to the Wyoming geological survey
18 office either approving or denying the request for a tax
19 credit. Any incomplete submission of data shall subject the
20 application to denial;

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22 (II) Any submitted information shall
23 become the property of the state;

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(III) Any submitted information shall remain confidential until December 31 of the year following the year of the submission;

(IV) If a person applying for the tax credit fails to timely provide the data required by subparagraph (C) of this paragraph the Wyoming department of environmental quality may withhold approval of an exploration or mining permit sought by the person in the future until the data is properly filed.

(E) If the application for the tax credit is granted, the person obtaining the credit may apply the credit against any tax due under W.S. 39-14-304(a)(ii) in the year following the calendar year in which the application is granted. In no event shall the credit exceed the lesser of:

(I) Fifty percent (50%) of the person's total tax liability under W.S. 39-14-304(a)(ii) for the calendar year following the year in which the application is granted; or

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39-14-409. Taxpayer remedies.

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(d) Credits. The following shall apply:

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(II) One hundred thousand dollars (\$100,000.00) for any one (1) calendar year of production.

(F) The department and the Wyoming geological survey office shall promulgate reasonable rules and regulations for the implementation of this paragraph;

(G) The department and the Wyoming geological survey office shall report jointly on the results of the credit authorized by this paragraph annually on or before November 1 of each year to the governor and the legislature.

(iv) The following shall apply to and constitute a mineral exploration tax credit:

(A) Any person who has paid the tax levied pursuant to W.S. 39-14-403 and who is conducting or funding

1 mineral exploration activities which are performed in this
2 state for the purpose of determining the existence,
3 location, quantity or quality of a locatable or leasable
4 mineral deposit on private or public land may be eligible
5 for a tax credit as provided by this paragraph. The credit
6 shall only be available for any mineral which is currently
7 not being produced in the county in which the exploration
8 activities occur, if the cost of the exploration activities
9 exceed one hundred thousand dollars (\$100,000.00), and all
10 data related to the exploration activity is provided in
11 accordance with this paragraph. Any credit granted pursuant
12 to this paragraph shall not exceed one hundred thousand
13 dollars (\$100,000.00). The mineral exploration activities
14 eligible for the credit shall include:

15
16 (I) Surveying by geophysical or
17 geochemical methods;

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19 (II) Drilling an exploration hole;

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21 (III) Surface trenching and bulk
22 sampling; and

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1 (IV) Performing other exploratory
2 work, including aerial photographs, geological and
3 geophysical logging, sample analysis and metallurgical
4 testing.

5
6 (B) A mineral exploration tax credit shall
7 not be allowed under this paragraph for exploration
8 activity which occurs after a mining permit is issued by
9 the Wyoming department of environmental quality for
10 production of the mineral in the county where the
11 exploratory activity occurred;

12
13 (C) Any person wishing to obtain the credit
14 authorized by this paragraph shall submit data and
15 information to the department on an application form and in
16 such manner as approved by the department. The department
17 shall confirm with the Wyoming department of environmental
18 quality that a permit to produce the mineral has not yet
19 been issued. The application shall:

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21 (I) Include a list of expenditures for
22 which the person is seeking credit in a manner approved by
23 the department;

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(II) Describe all exploratory activity accomplished during the calendar year covered by the request, the number of employees involved and the names, specialties and number of consultants involved;

(III) Provide a detailed list or ledger of the expenditures and supporting receipts required to complete the exploratory activities described in subdivision (II) of this subparagraph and a list of the types of exploration activity data that resulted from the exploration activity. The receipts required by this subdivision shall be provided to the department for verification. If the department does not object to any of the receipts within seven (7) days, the expenditures shall be deemed to be correct;

(IV) Provide proof that the expenditures for which credit is sought exceeds one hundred thousand dollars (\$100,000.00) for each exploration project in the calendar year;

1 (V) Agree to provide all data
2 generated by the exploratory activities for which credit is
3 sought, even if expenditures are more than one hundred
4 thousand dollars (\$100,000.00). All data shall be tied to
5 the Wyoming state plane coordinate system. Accuracy of the
6 data shall reflect the type of data collected and shall be
7 consistent with industry standards as required by the
8 Wyoming geological survey office;

9

10 (VI) Agree to provide any other
11 information that the department or Wyoming geological
12 survey office by rule and regulation may reasonably
13 require.

14

15 (D) Not more than ninety (90) days
16 following completion and collection of data that is
17 generated from exploratory activities for which credit is
18 sought, all factual and interpretive data as required by
19 this paragraph shall be submitted to the Wyoming geological
20 survey office. The following shall apply:

21

22 (I) All data shall be examined by the
23 appropriate specialist in the Wyoming geological survey

1 office. Following examination the Wyoming geological survey
2 office shall transmit a letter to the department indicating
3 whether the data provided complies with the requirements of
4 this paragraph. The department shall transmit a letter to
5 the applicant with a copy to the Wyoming geological survey
6 office either approving or denying the request for a tax
7 credit. Any incomplete submission of data shall subject the
8 application to denial;

9
10 (II) Any submitted information shall
11 become the property of the state;

12
13 (III) Any submitted information shall
14 remain confidential until December 31 of the year following
15 the year of the submission;

16
17 (IV) If a person applying for the tax
18 credit fails to timely provide the data required by
19 subparagraph (C) of this paragraph the Wyoming department
20 of environmental quality may withhold approval of an
21 exploration or mining permit sought by the person in the
22 future until the data is properly filed.

23

1 (E) If the application for the tax credit
2 is granted, the person obtaining the credit may apply the
3 credit against any tax due under W.S. 39-14-404 in the year
4 following the calendar year in which the application is
5 granted. In no event shall the credit exceed the lesser of:

6
7 (I) Fifty percent (50%) of the
8 person's total tax liability under W.S. 39-14-404 for the
9 calendar year following the year in which the application
10 is granted; or

11
12 (II) One hundred thousand dollars
13 (\$100,000.00) for any one (1) calendar year of production.

14
15 (F) The department and the Wyoming
16 geological survey office shall promulgate reasonable rules
17 and regulations for the implementation of this paragraph;

18
19 (G) The department and the Wyoming
20 geological survey office shall report jointly on the
21 results of the credit authorized by this paragraph annually
22 on or before November 1 of each year to the governor and
23 the legislature.

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2 **39-14-509. Taxpayer remedies.**

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4 (d) Credits. The following shall apply:

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6 (iv) The following shall apply to and constitute
7 a mineral exploration tax credit:

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9 (A) Any person who has paid the tax levied
10 pursuant to W.S. 39-14-503 and who is conducting or funding
11 mineral exploration activities which are performed in this
12 state for the purpose of determining the existence,
13 location, quantity or quality of a locatable or leasable
14 mineral deposit on private or public land may be eligible
15 for a tax credit as provided by this paragraph. The credit
16 shall only be available for any mineral which is currently
17 not being produced in the county in which the exploration
18 activities occur, if the cost of the exploration activities
19 exceed one hundred thousand dollars (\$100,000.00), and all
20 data related to the exploration activity is provided in
21 accordance with this paragraph. Any credit granted pursuant
22 to this paragraph shall not exceed one hundred thousand

1 dollars (\$100,000.00). The mineral exploration activities
2 eligible for the credit shall include:

3

4 (I) Surveying by geophysical or
5 geochemical methods;

6

7 (II) Drilling an exploration hole;

8

9 (III) Surface trenching and bulk
10 sampling; and

11

12 (IV) Performing other exploratory
13 work, including aerial photographs, geological and
14 geophysical logging, sample analysis and metallurgical
15 testing.

16

17 (B) A mineral exploration tax credit shall
18 not be allowed under this paragraph for exploration
19 activity which occurs after a mining permit is issued by
20 the Wyoming department of environmental quality for
21 production of the mineral in the county where the
22 exploratory activity occurred;

23

1 (C) Any person wishing to obtain the credit
2 authorized by this paragraph shall submit data and
3 information to the department on an application form and in
4 such manner as approved by the department. The department
5 shall confirm with the Wyoming department of environmental
6 quality that a permit to produce the mineral has not yet
7 been issued. The application shall:

8
9 (I) Include a list of expenditures for
10 which the person is seeking credit in a manner approved by
11 the department;

12
13 (II) Describe all exploratory activity
14 accomplished during the calendar year covered by the
15 request, the number of employees involved and the names,
16 specialties and number of consultants involved;

17
18 (III) Provide a detailed list or
19 ledger of the expenditures and supporting receipts required
20 to complete the exploratory activities described in
21 subdivision (II) of this subparagraph and a list of the
22 types of exploration activity data that resulted from the
23 exploration activity. The receipts required by this

1 subdivision shall be provided to the department for
2 verification. If the department does not object to any of
3 the receipts within seven (7) days, the expenditures shall
4 be deemed to be correct;

5
6 (IV) Provide proof that the
7 expenditures for which credit is sought exceeds one hundred
8 thousand dollars (\$100,000.00) for each exploration project
9 in the calendar year;

10

11 (V) Agree to provide all data
12 generated by the exploratory activities for which credit is
13 sought, even if expenditures are more than one hundred
14 thousand dollars (\$100,000.00). All data shall be tied to
15 the Wyoming state plane coordinate system. Accuracy of the
16 data shall reflect the type of data collected and shall be
17 consistent with industry standards as required by the
18 Wyoming geological survey office;

19

20 (VI) Agree to provide any other
21 information that the department or Wyoming geological
22 survey office by rule and regulation may reasonably
23 require.

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(D) Not more than ninety (90) days following completion and collection of data that is generated from exploratory activities for which credit is sought, all factual and interpretive data as required by this paragraph shall be submitted to the Wyoming geological survey office. The following shall apply:

(I) All data shall be examined by the appropriate specialist in the Wyoming geological survey office. Following examination the Wyoming geological survey office shall transmit a letter to the department indicating whether the data provided complies with the requirements of this paragraph. The department shall transmit a letter to the applicant with a copy to the Wyoming geological survey office either approving or denying the request for a tax credit. Any incomplete submission of data shall subject the application to denial;

(II) Any submitted information shall become the property of the state;

1 (III) Any submitted information shall
2 remain confidential until December 31 of the year following
3 the year of the submission;

4
5 (IV) If a person applying for the tax
6 credit fails to timely provide the data required by
7 subparagraph (C) of this paragraph the Wyoming department
8 of environmental quality may withhold approval of an
9 exploration or mining permit sought by the person in the
10 future until the data is properly filed.

11
12 (E) If the application for the tax credit
13 is granted, the person obtaining the credit may apply the
14 credit against any tax due under W.S. 39-14-504(a)(ii) in
15 the year following the calendar year in which the
16 application is granted. In no event shall the credit exceed
17 the lesser of:

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19 (I) Fifty percent (50%) of the
20 person's total tax liability under W.S. 39-14-504(a)(ii)
21 for the calendar year following the year in which the
22 application is granted; or

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1 (II) One hundred thousand dollars
2 (\$100,000.00) for any one (1) calendar year of production.

3
4 (F) The department and the Wyoming
5 geological survey office shall promulgate reasonable rules
6 and regulations for the implementation of this paragraph;

7
8 (G) The department and the Wyoming
9 geological survey office shall report jointly on the
10 results of the credit authorized by this paragraph annually
11 on or before November 1 of each year to the governor and
12 the legislature.

13
14 **39-14-609. Taxpayer remedies.**

15
16 (d) Credits. The following shall apply:

17
18 (iv) The following shall apply to and constitute
19 a mineral exploration tax credit:

20
21 (A) Any person who has paid the tax levied
22 pursuant to W.S. 39-14-603 and who is conducting or funding
23 mineral exploration activities which are performed in this

1 state for the purpose of determining the existence,
2 location, quantity or quality of a locatable or leasable
3 mineral deposit on private or public land may be eligible
4 for a tax credit as provided by this paragraph. The credit
5 shall only be available for any mineral which is currently
6 not being produced in the county in which the exploration
7 activities occur, if the cost of the exploration activities
8 exceed one hundred thousand dollars (\$100,000.00), and all
9 data related to the exploration activity is provided in
10 accordance with this paragraph. Any credit granted pursuant
11 to this paragraph shall not exceed one hundred thousand
12 dollars (\$100,000.00). The mineral exploration activities
13 eligible for the credit shall include:

14

15 (I) Surveying by geophysical or
16 geochemical methods;

17

18 (II) Drilling an exploration hole;

19

20 (III) Surface trenching and bulk
21 sampling; and

22

1 (IV) Performing other exploratory
2 work, including aerial photographs, geological and
3 geophysical logging, sample analysis and metallurgical
4 testing.

5
6 (B) A mineral exploration tax credit shall
7 not be allowed under this paragraph for exploration
8 activity which occurs after a mining permit is issued by
9 the Wyoming department of environmental quality for
10 production of the mineral in the county where the
11 exploratory activity occurred;

12
13 (C) Any person wishing to obtain the credit
14 authorized by this paragraph shall submit data and
15 information to the department on an application form and in
16 such manner as approved by the department. The department
17 shall confirm with the Wyoming department of environmental
18 quality that a permit to produce the mineral has not yet
19 been issued. The application shall:

20
21 (I) Include a list of expenditures for
22 which the person is seeking credit in a manner approved by
23 the department;

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(II) Describe all exploratory activity accomplished during the calendar year covered by the request, the number of employees involved and the names, specialties and number of consultants involved;

(III) Provide a detailed list or ledger of the expenditures and supporting receipts required to complete the exploratory activities described in subdivision (II) of this subparagraph and a list of the types of exploration activity data that resulted from the exploration activity. The receipts required by this subdivision shall be provided to the department for verification. If the department does not object to any of the receipts within seven (7) days, the expenditures shall be deemed to be correct;

(IV) Provide proof that the expenditures for which credit is sought exceeds one hundred thousand dollars (\$100,000.00) for each exploration project in the calendar year;

1 (V) Agree to provide all data
2 generated by the exploratory activities for which credit is
3 sought, even if expenditures are more than one hundred
4 thousand dollars (\$100,000.00). All data shall be tied to
5 the Wyoming state plane coordinate system. Accuracy of the
6 data shall reflect the type of data collected and shall be
7 consistent with industry standards as required by the
8 Wyoming geological survey office;

9

10 (VI) Agree to provide any other
11 information that the department or Wyoming geological
12 survey office by rule and regulation may reasonably
13 require.

14

15 (D) Not more than ninety (90) days
16 following completion and collection of data that is
17 generated from exploratory activities for which credit is
18 sought, all factual and interpretive data as required by
19 this paragraph shall be submitted to the Wyoming geological
20 survey office. The following shall apply:

21

22 (I) All data shall be examined by the
23 appropriate specialist in the Wyoming geological survey

1 office. Following examination the Wyoming geological survey
2 office shall transmit a letter to the department indicating
3 whether the data provided complies with the requirements of
4 this paragraph. The department shall transmit a letter to
5 the applicant with a copy to the Wyoming geological survey
6 office either approving or denying the request for a tax
7 credit. Any incomplete submission of data shall subject the
8 application to denial;

9
10 (II) Any submitted information shall
11 become the property of the state;

12
13 (III) Any submitted information shall
14 remain confidential until December 31 of the year following
15 the year of the submission;

16
17 (IV) If a person applying for the tax
18 credit fails to timely provide the data required by
19 subparagraph (C) of this paragraph the Wyoming department
20 of environmental quality may withhold approval of an
21 exploration or mining permit sought by the person in the
22 future until the data is properly filed.

23

1 (E) If the application for the tax credit
2 is granted, the person obtaining the credit may apply the
3 credit against any tax due under W.S. 39-14-604 in the year
4 following the calendar year in which the application is
5 granted. In no event shall the credit exceed the lesser of:

6
7 (I) Fifty percent (50%) of the
8 person's total tax liability under W.S. 39-14-604 for the
9 calendar year following the year in which the application
10 is granted; or

11
12 (II) One hundred thousand dollars
13 (\$100,000.00) for any one (1) calendar year of production.

14
15 (F) The department and the Wyoming
16 geological survey office shall promulgate reasonable rules
17 and regulations for the implementation of this paragraph;

18
19 (G) The department and the Wyoming
20 geological survey office shall report jointly on the
21 results of the credit authorized by this paragraph annually
22 on or before November 1 of each year to the governor and
23 the legislature.

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2 **39-14-709. Taxpayer remedies.**

3

4 (d) Credits. The following shall apply:

5

6 (iv) The following shall apply to and constitute
7 a mineral exploration tax credit:

8

9 (A) Any person who has paid the tax levied
10 pursuant to W.S. 39-14-703 and who is conducting or funding
11 mineral exploration activities which are performed in this
12 state for the purpose of determining the existence,
13 location, quantity or quality of a locatable or leasable
14 mineral deposit on private or public land may be eligible
15 for a tax credit as provided by this paragraph. The credit
16 shall only be available for any mineral which is currently
17 not being produced in the county in which the exploration
18 activities occur, if the cost of the exploration activities
19 exceed one hundred thousand dollars (\$100,000.00), and all
20 data related to the exploration activity is provided in
21 accordance with this paragraph. Any credit granted pursuant
22 to this paragraph shall not exceed one hundred thousand

1 dollars (\$100,000.00). The mineral exploration activities
2 eligible for the credit shall include:

3

4 (I) Surveying by geophysical or
5 geochemical methods;

6

7 (II) Drilling an exploration hole;

8

9 (III) Surface trenching and bulk
10 sampling; and

11

12 (IV) Performing other exploratory
13 work, including aerial photographs, geological and
14 geophysical logging, sample analysis and metallurgical
15 testing.

16

17 (B) A mineral exploration tax credit shall
18 not be allowed under this paragraph for exploration
19 activity which occurs after a mining permit is issued by
20 the Wyoming department of environmental quality for
21 production of the mineral in the county where the
22 exploratory activity occurred;

23

1 (C) Any person wishing to obtain the credit
2 authorized by this paragraph shall submit data and
3 information to the department on an application form and in
4 such manner as approved by the department. The department
5 shall confirm with the Wyoming department of environmental
6 quality that a permit to produce the mineral has not yet
7 been issued. The application shall:

8
9 (I) Include a list of expenditures for
10 which the person is seeking credit in a manner approved by
11 the department;

12
13 (II) Describe all exploratory activity
14 accomplished during the calendar year covered by the
15 request, the number of employees involved and the names,
16 specialties and number of consultants involved;

17
18 (III) Provide a detailed list or
19 ledger of the expenditures and supporting receipts required
20 to complete the exploratory activities described in
21 subdivision (II) of this subparagraph and a list of the
22 types of exploration activity data that resulted from the
23 exploration activity. The receipts required by this

1 subdivision shall be provided to the department for
2 verification. If the department does not object to any of
3 the receipts within seven (7) days, the expenditures shall
4 be deemed to be correct;

5
6 (IV) Provide proof that the
7 expenditures for which credit is sought exceeds one hundred
8 thousand dollars (\$100,000.00) for each exploration project
9 in the calendar year;

10
11 (V) Agree to provide all data
12 generated by the exploratory activities for which credit is
13 sought, even if expenditures are more than one hundred
14 thousand dollars (\$100,000.00). All data shall be tied to
15 the Wyoming state plane coordinate system. Accuracy of the
16 data shall reflect the type of data collected and shall be
17 consistent with industry standards as required by the
18 Wyoming geological survey office;

19
20 (VI) Agree to provide any other
21 information that the department or Wyoming geological
22 survey office by rule and regulation may reasonably
23 require.

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(D) Not more than ninety (90) days following completion and collection of data that is generated from exploratory activities for which credit is sought, all factual and interpretive data as required by this paragraph shall be submitted to the Wyoming geological survey office. The following shall apply:

(I) All data shall be examined by the appropriate specialist in the Wyoming geological survey office. Following examination the Wyoming geological survey office shall transmit a letter to the department indicating whether the data provided complies with the requirements of this paragraph. The department shall transmit a letter to the applicant with a copy to the Wyoming geological survey office either approving or denying the request for a tax credit. Any incomplete submission of data shall subject the application to denial;

(II) Any submitted information shall become the property of the state;

1 (III) Any submitted information shall
2 remain confidential until December 31 of the year following
3 the year of the submission;

4
5 (IV) If a person applying for the tax
6 credit fails to timely provide the data required by
7 subparagraph (C) of this paragraph the Wyoming department
8 of environmental quality may withhold approval of an
9 exploration or mining permit sought by the person in the
10 future until the data is properly filed.

11
12 (E) If the application for the tax credit
13 is granted, the person obtaining the credit may apply the
14 credit against any tax due under W.S. 39-14-704 in the year
15 following the calendar year in which the application is
16 granted. In no event shall the credit exceed the lesser of:

17
18 (I) Fifty percent (50%) of the
19 person's total tax liability under W.S. 39-14-704 for the
20 calendar year following the year in which the application
21 is granted; or

22

1 (II) One hundred thousand dollars
2 (\$100,000.00) for any one (1) calendar year of production.

3

4 (F) The department and the Wyoming
5 geological survey office shall promulgate reasonable rules
6 and regulations for the implementation of this paragraph;

7

8 (G) The department and the Wyoming
9 geological survey office shall report jointly on the
10 results of the credit authorized by this paragraph annually
11 on or before November 1 of each year to the governor and
12 the legislature.

13

14 **Section 2.** This act shall apply prospectively to
15 mineral exploration activities commencing after July 1,
16 2020.

17

18 **Section 3.** This act is effective July 1, 2020.

19

20

(END)