HOUSE BILL NO. HB0105

Severance tax reduction-coal.

Sponsored by: Representative(s) Hallinan, Bear, Fortner, Gray, Haroldson, Heiner, Jennings, Knapp, Laursen, Neiman, Ottman, Rodriguez-Williams, Sweeney and Winter and Senator(s) Biteman and McKeown

A BILL

for

1 AN ACT relating to taxation and revenue; reducing the

2 severance tax rate for surface coal; conforming related tax

3 distribution provisions; specifying applicability; and

4 providing for an effective date.

5

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

7

8   **Section 1.** W.S. 39-14-104(a)(intro) and (v) and

9 39-14-111(a) are amended to read:

10

11   **39-14-104. Tax rate.**

12

13   (a) The total severance tax rate for surface coal

14 shall be ~~seven percent (7%)~~ six and one-half percent

1   (6.5%).   This rate comprises one and one-half percent

2   (1.5%) imposed by Wyoming constitution article 15, section

3   19, and ~~five and one-half percent (5.5%)~~ five percent (5%)

4   imposed statutorily.   The tax shall be distributed as

5   provided in W.S. 39-14-111 and is imposed as follows:

6

7   (v) One percent (1%).~~; plus~~

8

9   **39-14-111. Distribution.**

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11   (a) As provided by W.S. 39-14-104(a), the total

12   severance tax rate for surface coal shall be ~~seven percent~~

13   ~~(7%)~~ six and one-half percent (6.5%). As provided by W.S.

14   39-14-104(b), the total severance tax rate for underground

15   coal shall be three and three-quarters percent (3.75%). A

16   one and one-half percent (1.5%) tax imposed by W.S.

17   39-14-104(a)(i) and a one and one-half percent (1.5%) tax

18   imposed by W.S. 39-14-104(b)(i) shall be deposited into the

19   permanent Wyoming mineral trust fund. All other taxes

20   imposed by W.S. 39-14-104(a) and (b) shall be deposited

21   into the severance tax distribution account.

22

23   **Section 2.** W.S. 39-14-104(a)(vi) is repealed.

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2   **Section 3.** This act shall apply to surface coal

3 produced on or after the effective date of this act.

4

5   **Section 4**. This act is effective July 1, 2022**.**

6

7   (END)