

1 STATE OF OKLAHOMA

2 1st Session of the 51st Legislature (2007)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL NO. 136

By: Crutchfield of the Senate

and

Hyman of the House

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9 COMMITTEE SUBSTITUTE

10 (oil and gas - Commission on Marginally Producing

11 Oil and Gas Wells -

12 effective date)

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15 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

16 SECTION 1. AMENDATORY 52 O.S. 2001, Section 703, as
17 amended by Section 1, Chapter 382, O.S.L. 2002 (52 O.S. Supp. 2006,
18 Section 703), is amended to read as follows:

19 Section 703. A. To fund the activities of the Commission on
20 Marginally Producing Oil and Gas Wells, a fee shall be levied in the
21 amount of ~~two tenths of one cent (\$0.002)~~ three and five-tenths of
22 one cent (\$0.0035) on each barrel of petroleum liquid and ~~one tenth~~
23 ~~of one cent (\$0.001) on each ten thousand (10,000)~~ fifteen
24 thousandths of one cent (\$0.00015) on each one thousand (1,000)

1 cubic feet (Mcf) of natural gas, including casinghead gas, produced
2 from each well in the State of Oklahoma except for oil and gas
3 production exempt from the payment of gross production tax pursuant
4 to Section 1001 of Title 68 of the Oklahoma Statutes.

5 B. The fee levied by subsection A of this section shall be
6 deducted from the proceeds of production by the person remitting
7 gross production tax to the Oklahoma Tax Commission pursuant to
8 Section 1001 et seq. of Title 68 of the Oklahoma Statutes. ~~Such~~ The
9 fee shall be remitted to the ~~Oklahoma~~ Tax Commission in the same
10 manner as is provided by law for the payment of gross production
11 tax. However, the fee shall not be required to be paid until the
12 accrued amount due from any person required to remit ~~such~~ the fee
13 reaches Twenty-five Dollars (\$25.00), except that any amount accrued
14 for any calendar year shall be paid by January 31st of the following
15 year. To defray the costs of receiving and depositing the fees
16 levied by this section, the ~~Oklahoma~~ Tax Commission shall retain
17 three percent (3%) of the fees received for deposit into the
18 Oklahoma Tax Commission Revolving Fund created pursuant to Section
19 113 of Title 68 of the Oklahoma Statutes. The remaining monies
20 received by the ~~Oklahoma~~ Tax Commission pursuant to this section
21 shall be deposited in the Commission on Marginally Producing Oil and
22 Gas Wells Revolving Fund created by Section 705 of this title.

23 C. The Commission on Marginally Producing Oil and Gas Wells
24 shall be responsible for taking appropriate and necessary actions to

1 collect any fee which is not paid or is not properly paid. The
2 ~~Oklahoma~~ Tax Commission shall not be responsible for collecting any
3 fee not remitted to the ~~Oklahoma~~ Tax Commission for deposit into the
4 Commission on Marginally Producing Oil and Gas Wells Revolving Fund.
5 The ~~Oklahoma~~ Tax Commission shall report to the Commission on
6 Marginally Producing Oil and Gas Wells any information it obtains
7 regarding failure of any person to properly pay the fee due,
8 including any documentation it may have of ~~such~~ the failure.

9 D. The ~~Oklahoma~~ Tax Commission shall promulgate rules to
10 establish ~~such~~ procedures and forms necessary for the remittance of
11 the fee levied by this section.

12 E. The Commission on Marginally Producing Oil and Gas Wells
13 shall be prohibited from utilizing any funds collected through the
14 assessment authorized by this section for the purpose of influencing
15 governmental action or policy, with the exception of recommending
16 amendments to this act. ~~Provided, however, the~~ The Commission shall
17 be authorized to respond to any request for information from the
18 Governor, any members of the Legislature, any public official or
19 state agency.

20 SECTION 2. This act shall become effective January 1, 2008.

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22 51-1-7930 CJB 04/18/07

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