

OKLAHOMA TAX COMMISSION

FISCAL IMPACT STATEMENT AND/OR ADMINISTRATIVE IMPACT STATEMENT FIRST REGULAR SESSION, FIFTY-FOURTH OKLAHOMA LEGISLATURE

DATE OF IMPACT STATEMENT: January 30, 2013

BILL NUMBER: SB 332 STATUS AND DATE OF BILL: Introduced 1/14/2013

AUTHORS: House n/a Senate Mazzei

TAX TYPE (S): Gross Production SUBJECT: Administrative

PROPOSAL: Amendatory

Senate Bill 332 is a Tax Commission request measure related to the streamlining of specific administrative procedures for reporting gross production tax and providing certain production information.

EFFECTIVE DATE: November 1, 2013

REVENUE IMPACT:

Insert dollar amount (plus or minus) of the expected change in state revenues due to this proposed legislation.

FY 14: None

FY 15: None

ADMINISTRATIVE IMPACT:

Insert the estimated cost or savings to the Tax Commission due to this proposed legislation.

FY 14: Unknown savings to the Tax Commission

Jan. 30, 2013
DATE

Rick Miller
DIVISION DIRECTOR

mjh

1-31-2013
DATE

Reece Womack
REECE WOMACK, ECONOMIST

2/1/13
DATE

Dan Cast
FOR THE COMMISSION

Attachment to Fiscal/Administrative Impact - SB 332 (Introduced) – Prepared 01/30/2013

Section 1 of Senate Bill 332 proposes to amend 68 O.S. Section 1010(B) by eliminating the requirement for gross production tax remitters to file zero monthly production tax reports.

As part of a newly developed gross production tax reporting system, the requirement for companies to file monthly production reports when there is no activity associated with a given well would no longer be necessary. Multiple purchasers on each well must now report regardless of whether they purchase production or do not purchase production. The information purchasers are now receiving from the current filing process will be available online.

Section 2 of Senate Bill 332 proposes to amend 68 O.S. Section 1024, pertaining to the release of certain gross production tax information. Currently, the statutes require the Tax Commission to provide individuals or entities with certain non-tax related information pertaining to oil and gas producing properties. The party requesting such information is required to submit an oral or written request with the Tax Commission.

The proposed amendments would remove the requirement for the oral or written request. The Tax Commission would make such information available on-line through the agencies' web site. Interest owner production values and tax amounts will remain confidential. No taxpayer information that is presently confidential will be otherwise pursuant to the provisions of the proposed amendments.

The Tax Commission has worked with the Oil and Gas Industry in the development of these proposals. There is no estimated impact to state revenues associated with the provisions of Senate Bill 332. Estimated administrative savings to the Tax Commission are unknown.