

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB2415
Version:	FULLPCS1
Request Number:	8021
Author:	Rep. Osborn
Date:	5/16/2017
Impact:	Please see previous summary of this measure

Research Analysis

HB2415 moves up the sunset date for numerous gross production tax incentives to July 1, 2017, requires claims for rebates to be made by September 30, 2017 and delays rebate payments until after July 1, 2018.

The affected incentives relate to:

- incremental production from secondary recovery projects;
- incremental production from tertiary recovery projects;
- reestablished production from an inactive well;
- production from production enhancement projects;
- production from deep wells with a depth between 12,500 and 14,999 feet;
- production from new discovery wells; and
- production using 3-D seismic technology.

The measure also sunsets the incentive for production from an economically at-risk oil and gas lease on December 31, 2016, requires claims for rebates to be made by June 30, 2017 and delays rebates payments until after July 1, 2018.

Lastly, the measure modifies the definition of *manufacturing* and *manufacturing operation*, as it relates to exemptions from sales tax, to exclude activities that involve electric wind generation using wind.

Prepared By: Quyen Do

Fiscal Analysis

The measure is currently under review and impact information will be completed.

Prepared By: Mark Tygret

Other Considerations

None.