

## Revenue Sections of HB2414

### Section 1

Levies \$1.50 per pack of cigarettes

**FY18**            \$214,867,000

### Section 10

Levies \$.06 increase per gallon gas and diesel.

### FY 18

Gasoline      \$92,431,000 increase in gasoline tax revenues

Diesel         \$35,391,000 increase in diesel tax revenues

### Section 13

Currently, wells drilled on or after July 1, 2015, are taxed at a 2% rate from the first month of production for a period of 36 months. Thereafter, the production is taxed at the 7% rate.

The bill proposes that wells drilled on or after the effective date of the act, to be taxed at the 2% rate from the first month of production for a period of **18 months**. Thereafter, the production will be taxed at the 7% rate.

The estimated fiscal impact from the Tax Commission is as follows:

- No impact in **FY18**
- In **FY19**, the following increases:

For Oil	\$4,425,000
For Natural Gas	<u>\$3,986,000</u>
TOTAL	\$8,411,000
- In **FY20**, the following increases:

For Oil	\$17,700,000
For Natural Gas	<u>\$15,943,000</u>
TOTAL	\$33,643,000