

Bill Summary
1st Session of the 58th Legislature

Bill No.:	SB 892
Version:	INT
Request No.:	260
Author:	Sen. Bullard
Date:	01/27/2021

Bill Analysis

SB 892 authorizes counties to levy a severance tax upon the severance of rock, gravel, granite, sand, limestone or any other natural materials mined for purposes of producing aggregate within the territorial limits of the county. The tax will not apply to individuals extracting aggregates from property owned by the individual.

The tax must be approved by the voters of the county called by the board of county commissioners or upon receiving a petition signed by at least 5% of the voters in the county. After calling an election and receiving the approval of a majority of county voters, the county may levy a tax of up to \$0.10 per ton of on the production of rock, gravel, granite, sand and limestone. The tax may be limited or unlimited in duration. Revenues must be deposited in the county general fund used for roads and bridges.

All materials sold in a county that collects sales tax will receive credit against the severance tax, excepting cases wherein the material is sold to an entity not subject to the sales tax. If the material is extracted within a municipality, 50% of the revenue shall be apportioned to that municipality.

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