

**Utah Tax Review Commission**

**Oil and Gas Severance Tax**

**Study Issues and Information Items**

**June 3, 2005**

Study issues:

1. Does the severance tax base need legislative clarification? Is the taxable value at the well still the best policy?
2. Should a county option severance tax be established by either allocating some oil and gas severance tax revenues back to producing counties or establish a new tax in addition to the state tax? (2005 General Session SB 36)
3. Should some portion or all oil and gas severance tax revenues be deposited into a trust fund? (Recommendation of Governor Walker's Tax Advisors)

Information items:

1. Oil and gas production on Native American lands in Utah and comparison states.
2. Drilling costs in Utah and comparison states -- compare drilling costs with production volumes and value.
3. Volume per well: Utah and comparison states.