

Senator Howard A. Stephenson proposes the following substitute bill:

SEVERANCE TAX STUDY

2005 GENERAL SESSION

STATE OF UTAH

Sponsor: Beverly Ann Evans

LONG TITLE

General Description:

This bill enacts uncodified material requiring a study by the Utah Tax Review Commission.

Highlighted Provisions:

This bill:

► requires the Utah Tax Review Commission to study certain issues during the 2005 interim relating to oil and gas severance taxes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Uncodified Material Affected:

ENACTS UNCODIFIED MATERIAL

Be it enacted by the Legislature of the state of Utah:

Section 1. **Utah Tax Review Commission study.**

(1) During the 2005 interim, the Utah Tax Review Commission shall study:

(a) the infrastructure needs of local governments to support the oil and gas industry within the state;



- 26 (b) oil and gas production costs in this state as compared to oil and gas production
27 costs in other states;
- 28 (c) tax rates imposed on oil and gas in this state and other states;
- 29 (d) effective tax rates imposed on oil and gas in this state and other states;
- 30 (e) activities related to the production of oil and gas in this state; and
- 31 (f) whether to establish a trust fund into which a portion of oil and gas severance taxes
32 would be deposited.
- 33 (2) The Utah Tax Review Commission shall report its findings and recommendations
34 on the study required by Subsection (1) to the Revenue and Taxation Interim Committee on or
35 before November 30, 2005.