

**OIL AND GAS SEVERANCE TAX AMENDMENTS**

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ronald M. Winterton**

House Sponsor: Keven J. Stratton

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to oil and gas severance tax.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ directs the Division of Finance to transfer portions of the oil and gas severance tax to the Transportation Investment Fund; and
- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**59-5-115**, as last amended by Laws of Utah 2021, Chapter 401

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

Section 1. Section **59-5-115** is amended to read:

**59-5-115. Disposition of taxes collected -- Credit to General Fund.**

(1) As used in this section, "above-trend revenue" means the amount by which the actual revenue from the oil and gas severance tax deposited into the General Fund under

29 Subsection (2) exceeds the long-term trend of oil and gas severance tax revenue to the General  
30 Fund as determined by the Office of the Legislative Fiscal Analyst and the Governor's Office of  
31 Planning and Budget.

32 (2) Except as provided in Section 51-9-305, 51-9-306, 51-9-307, 59-5-116, or  
33 59-5-119, a tax imposed and collected under Section 59-5-102 shall be paid to the commission,  
34 promptly remitted to the state treasurer, and credited to the General Fund.

35 (3) The Division of Finance shall transfer above-trend revenue up to \$20 million from  
36 the General Fund into the Transportation Investment Fund each year beginning in the fiscal  
37 year beginning July 1, 2023, until the amount deposited into the Transportation Investment  
38 Fund totals \$88.5 million.