

HOUSE BILL NO. HB0010

Oil and gas tax reporting.

Sponsored by: Joint Revenue Interim Committee

A BILL

for

1 AN ACT relating to oil and gas taxation; requiring  
 2 reporting by the operator of a well or property; providing  
 3 for reporting by an owner of production to the operator;  
 4 and providing for an effective date.

5

6 *Be It Enacted by the Legislature of the State of Wyoming:*

7

8 **Section 1.** W.S. 39-14-207(a)(i) through (vi) and by  
 9 creating new paragraphs (vii) and (viii) is amended to  
 10 read:

11

12 **39-14-207. Compliance; collection procedures.**

13

14 (a) Returns and reports. The following shall apply:

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1           (i) Annually, on or before February 25 of the  
2 year following the year of production ~~any person~~ the  
3 operator of a well or property whose crude oil, lease  
4 condensate or natural gas production is subject to W.S.  
5 39-14-202(a) shall sign under oath and submit a statement  
6 listing the information relative to the production and  
7 affairs of the company as the department may require to  
8 assess ~~the all~~ production from the well or property;

9  
10           (ii) All information and reports shall be  
11 notarized and signed by a person who has legal authority to  
12 bind the ~~taxpayer~~ operator;

13  
14           (iii) For crude oil, lease condensate or natural  
15 gas, the ~~taxpayer~~ operator shall report the location of the  
16 production to the county and tax district in which the well  
17 or property is located, based upon the actual taxable  
18 production produced by the well or property in each county  
19 or tax district. Other reasonable methods of reporting the  
20 location of production may be approved by the department  
21 upon written request of the ~~taxpayer~~ operator or taxing  
22 jurisdiction;

23

1           (iv) For crude oil, lease condensate or natural  
2 gas, the department may presume that the production is  
3 located in the county in which production is reported by  
4 the ~~taxpayer~~operator pursuant to paragraph (iii) of this  
5 subsection. The department shall not direct any county to  
6 provide relief for taxes paid on taxable valuation which  
7 was erroneously reported and certified to the wrong county  
8 unless the ~~taxpayer~~operator files or is directed to file  
9 amended returns within two (2) years of the date of the  
10 original certification of the production. Unless there is  
11 evidence of bad faith or willful disregard of production  
12 circumstances, no ~~taxpayer~~operator shall be required to  
13 pay taxes on production which was erroneously reported and  
14 certified to the wrong county if relief for taxes paid is  
15 not allowed under this provision;

16

17           (v) Except as provided in paragraph (vi) of this  
18 subsection, each ~~taxpayer~~operator liable for severance  
19 taxes under W.S. 39-14-203(a) shall report monthly to the  
20 department. The monthly tax reports are due on or before  
21 the twenty-fifth day of the second month following the  
22 month of production. Reports shall be filed on forms

1 prescribed by the department. The department may allow  
2 extensions for filing returns by regulation;

3  
4 (vi) If ~~a taxpayer's~~ the liability for severance  
5 taxes for all production from the well or property is less  
6 than thirty thousand dollars (\$30,000.00) for the preceding  
7 calendar year, monthly reporting requirements are waived  
8 and the ~~taxpayer~~ operator shall report annually. The annual  
9 report is due on February 25 of the year following the year  
10 in which production occurred. If ~~a taxpayer~~ an operator  
11 who reports annually accumulates an annual liability  
12 exceeding thirty thousand dollars (\$30,000.00), ~~that~~  
13 ~~taxpayer~~ the operator shall commence reporting monthly as  
14 provided in paragraph (v) of this subsection during the  
15 production year following the year in which the accumulated  
16 tax liability exceeded thirty thousand dollars  
17 (\$30,000.00). It is the ~~taxpayer's~~ operator's  
18 responsibility to notify the department concerning the  
19 change from annual to monthly reporting requirements or  
20 from monthly to annual reporting; ~~;~~

21  
22 (vii) The owner of any portion of the production  
23 from a well or property shall report to the operator of the

1 well or property all information necessary for the operator  
2 to make the returns and reports required under this  
3 section. If an owner of production does not provide the  
4 information necessary for the operator to make the returns  
5 and reports required under this section, the tax due for  
6 the portion of the production allocated to that owner shall  
7 be calculated based on the information provided in the  
8 returns and reports provided by the operator of the well or  
9 property;

10  
11 (viii) As used in this section, "operator" means  
12 any person responsible for the day-to-day operation of a  
13 mine or oil and gas property by reason of contract, lease  
14 operating agreement or ownership of an unleased producing  
15 mine or well operated by the owner thereof.

16  
17 **Section 2.** This act is effective July 1, 2017.

18  
19 (END)