

# OIL EXTRACTION & OIL & GAS GROSS PRODUCTION TAX COLLECTIONS & ESTIMATED VALUE OF TAX INCENTIVES (NET OF REFUNDS)

Fiscal Year	Oil Extraction Tax (OET)	Gross Production Tax (GPT)	Oil Taxes Combined	Estimated Approximate Amount of All OET Incentives Combined*	Incentives as a Share of Total Collections
FY 87	\$ 34,988,979	\$ 34,356,907	\$ 69,345,886	(6,995,161)	10.1%
FY 88	36,954,125	35,259,694	72,213,819	(6,133,221)	8.5%
FY 89	27,398,372	29,385,521	56,783,893	(8,510,735)	15.0%
FY 90	30,847,416	33,902,581	64,749,997	(10,581,538)	16.3%
FY 91	38,274,835	47,316,794	85,591,629	(19,546,287)	22.8%
FY 92	26,677,270	32,517,549	59,194,819	(13,059,175)	22.1%
FY 93	26,606,259	29,792,007	56,398,266	(9,799,574)	17.4%
FY 94	16,218,450	22,118,770	38,337,220	(10,810,687)	28.2%
FY 95	16,354,433	23,787,276	40,141,709	(12,713,618)	31.7%
FY 96	16,467,484	26,905,996	43,373,480	(16,411,643)	37.8%
FY 97	19,079,936	34,772,117	53,852,053	(23,411,591)	43.5%
FY 98	15,328,212	29,521,309	44,849,521	(20,746,828)	46.3%
FY 99	12,074,588	22,705,995	34,780,583	(15,672,138)	45.1%
FY 00	21,023,977	38,041,008	59,064,985	(25,462,135)	43.1%
FY 01	24,793,997	46,029,027	70,823,024	(31,453,474)	44.4%
FY 02	17,068,846	36,515,072	53,583,918	(27,552,572)	51.4%
FY 03	22,618,069	43,477,533	66,095,602	(30,511,476)	46.2%
FY 04	25,638,914	47,519,075	73,157,989	(32,429,396)	44.3%
FY 05	45,566,628	74,046,219	119,612,847	(44,917,852)	37.6%
FY 06	65,122,617	104,378,689	169,501,306	(62,428,141)	36.8%
FY 07	69,409,618	118,782,343	188,191,961	(75,742,405)	40.2%
FY 08	182,366,018	209,457,069	391,823,087	(73,590,520)	18.8%
FY 09	185,814,920	221,462,334	407,277,254	(84,812,052)	20.8%
FY 10	280,611,437	302,099,211	582,710,648	(88,553,799)	15.2%
FY 11	505,597,484	481,083,658	986,681,142	(82,286,746)	8.3%
FY 12	865,121,629	795,681,003	1,660,802,632	(107,200,557)	6.5%
FY 13	1,227,370,124	1,130,369,449	2,357,739,573	(153,941,343)	6.5%
FY 14	1,754,824,617	1,492,982,452	3,247,807,069	(69,599,939)	2.1%
FY 15	1,514,332,592	1,286,652,421	2,800,985,013	(57,956,666)	2.1%
	<b>\$ 7,124,551,846</b>	<b>\$ 6,830,919,079</b>	<b>\$ 13,955,470,925</b>	<b>\$ (1,222,831,269)</b>	<b>8.8%</b>

\*Incentives estimated from the GPT collections, which are assumed to be 5% of the same 'value at wellhead' tax base that would be subject to 6.5% OET, if there were no OET incentives. In calculating the incentives, the GPT base has been reduced by 6% to adjust for the gas tax component, which is subject only to GPT, and not OET.

OET incentives include exemptions and rate reductions for: new wells, worked over wells, two-year inactive wells, horizontal re-entry wells, stripper wells, and secondary and tertiary enhanced oil recovery (EOR) projects.

The "Large Trigger" was enacted in 1987 and remained in effect until October 2004 when it triggered off due to high oil prices. It remained triggered off until December 2015. The large trigger - including most OET incentives - was repealed by 2015 House Bill 1476. Only stripper and EOR incentives remain in law. In addition to repealing triggered incentives, HB 1476 lowered the OET tax rate from 6.5% to 5.0% effective January 1, 2016.