

SENATE BILL NO. 2337

Introduced by

Senator O'Connell

Representative Hunskor

1 A BILL for an Act to amend and reenact subsection 10 of section 57-51.1-03 of the North
2 Dakota Century Code, relating to an oil extraction tax exemption; and to provide an effective
3 date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Subsection 10 of section 57-51.1-03 of the North Dakota
6 Century Code is amended and reenacted as follows:

7 10. ~~The first seventy-five thousand barrels of oil~~Oil produced during the first eighteen
8 months after completion, from a well drilled and completed outside the Bakken and
9 Three Forks formations, and ten miles [16.10 kilometers] or more outside an
10 established field in which the industrial commission has defined the pool to include the
11 Bakken or Three Forks formation, is ~~subject to a reduced tax rate of two percent of the~~
12 ~~gross value at the well of the oil extracted~~exempt from taxes imposed under this
13 chapter. A well eligible for a ~~reduced tax rate~~an exemption under this subsection is
14 eligible for the exemption under subsection 3, if the exemption under subsection 3 is
15 effective during all or part of the first twenty-four months after completion.

16 **SECTION 2. EFFECTIVE DATE.** This Act is effective for wells drilled and completed after
17 June 30, 2015.