

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; and to provide an expiration 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.

18 **SECTION 3. EXPIRATION DATE.** This Act is effective through June 30, 2017, and after that  
19 date is ineffective.