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March 8, 2023

SB # 2162 (1/16/2022 Hearing – 10:30 A.M.)

Dear Chair Headland and Honorable Members of the Finance and Taxation Committee:

The Mountrail County Commission is respectfully requesting you to support a **"DO PASS"** on Senate Bill #2162 relating to oil and gas gross production tax allocations to counties.

The structure of the oil and gas gross production tax was developed as a "in lieu of property tax" for the local political subdivisions to simplify the taxation requirements on the oil and gas industry. The counties, cities, townships and school districts, thus, have no authority to levy property tax on the industrial properties of the oil and gas industry within their boundaries.

Currently, oil-producing counties are the only political subdivision within the state that is required to levy a minimum of ten mills on its property owners in order to receive this "in lieu of property tax" allocation. Even the State receives its allocation of the oil and gas gross production tax without requirements.

The Mountrail County Commission is committed to the lowest rates of property tax for our residents and still meet the needs of all including the oil and gas industry. Please allow the county the autonomy to determine the lowest, appropriate property tax levy for our residents without the potential loss of our oil and gas gross production tax allocation.

Your consideration and support for a **"DO PASS"** on Senate Bill #2162 is greatly appreciated.

Sincerely,



Trudy Ruland, Chair
Mountrail County Board of Commissioners

E-mail:
District #2 & #4 Senate Representatives
ND Senate Finance and Taxation Standing Committee